



# DAILY REPORT

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## PRC REGIONAL AFFAIRS

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FOREIGN COUNTRIES GREET NEW PRC LEADERS

OW081351 Beijing XINHUA Domestic Service in Chinese 1612 GMT 6 Jul 83

[Text] Beijing, 6 Jul (XINHUA) -- Deng Xiaoping, chairman of the Central Military Commission of the People's Republic of China, Li Xiannian, president of the People's Republic of China, Ulanhu, vice president of the People's Republic of China, Zhao Ziyang, premier of the State Council, and Li Peng, vice premier of the State Council, have separately received messages of congratulations on their assumption of leading posts from several foreign state, government, and organization leaders.

The message to Deng Xiaoping was sent by: Nicolae Ceausescu, secretary general of the Romanian Communist Party and president of the Socialist Republic of Romania.

The message to Li Xiannian was sent by: Kamisese Mara, prime minister of Fiji.

The message to Ulanhu was sent by: (Mustafamir Sayumu), senior adviser to the president of the Islamic Republic of Iran.

Messages to Zhao Ziyang were sent by: Fidel Castro Ruz, president of the Councils of State and Ministers of the Republic of Cuba, and Yasir 'Arafat, chairman of the Executive Council of the Palestine Liberation Organization.

A message addressed to Li Peng was sent by: Jozsef Marjai, deputy premier of the Council of Ministers of the Hungarian People's Republic.

STATE LEADERS, FOREIGN ENVOYS ATTEND EXHIBIT

OW101444 Beijing XINHUA in English 1436 GMT 10 Jul 83

[Text] Beijing, July 10 (XINHUA) -- Vice Premiers Yao Yilin and Tian Jiyun, State Councillors Gu Mu and Ji Pengfei visited the Beijing multi-national food processing machinery exhibition this evening.

They were accompanied by Yang Bo, minister of light industry, Wang Yaoting, chairman of the Chinese Council for the Promotion of International Trade (CCPIT). Also visiting the exhibition tonight were M. Michel Rocard, minister of agriculture of France and diplomatic envoys of the countries participating in the exhibition.

Sponsored by the CCPIT, the exhibition is participated by over 170 companies from Denmark, France, the Federal Republic of Germany, Italy, Japan, Sweden, the United Kingdom and the United States with more than 300 units of processing and packaging machines as well as testing and measuring instruments.

Since its opening on June 6, the exhibition has received more than 40,000 visitors. It is scheduled to close on July 15.

PRESIDENT REAGAN ORDERS COOPERATION WITH PROBE

OW091754 Beijing XINHUA in English 1620 GMT 9 Jul 83

[Text] Washington, July 8 (XINHUA) -- President Reagan today ordered all his aides and administration officials to "cooperate fully" with investigators looking into how his 1980 campaign team obtained briefing materials from former President Jimmy Carter's camp.

Later, Reagan told reporters that he will take any necessary action, including firing aides, if the investigation results proved any wrongdoing by his campaign staff.

White House Chief of Staff James Baker, communications director David Gergen and CIA Director William Casey, who were high campaign officials for Reagan in 1980, have all been involved in the alleged political spying.

According to White House spokesman Larry Speakes, the U.S. President walked unannounced into a daily meeting of his senior staff this morning. "I want everybody in this room and the White House to continue to cooperate fully with the FBI and to tell everything they know about any of the allegations." Speakes said Reagan told his aides. "We want to get to the bottom of this and we want it out in the open," Speakes quoted Reagan as saying. Reagan's statements contrasted sharply with his earlier approach that the row was "much ado about nothing."

In another development, the NEW YORK TIMES reported today that an anonymous White House official said Reagan's former national security adviser Richard Allen "has suggested" he received information from Jerry Jennings who was on Carter's National Security Council staff. Jennings now works in the Office of Science and Technology Policy at the White House.

## RENMIN RIBAO 'Newsletter'

HK110822 Beijing RENMIN RIBAO in Chinese 11 Jul 83 p 6

["Newsletter from America" by Zhang Liang: "New Developments in Washington's Political Storm"]

[Text] The question of whether Reagan's campaign team obtained former President Carter's debate notebook by illegal means in the last presidential election has recently become a major news topic in America. The media here even compare this matter to the "Watergate affair" of the Nixon era, and call it the "debategate" affair.

According to recent revelations in the American press, before election day (4 November) in 1980, the Reagan campaign team not only got hold of Carter's prepared notebook on debating strategy but also obtained volumes of Carter administration working documents from the White House, including top secret materials of the National Security Council.

Some of the working documents concerning the Carter administration were found in Reagan's campaign files. A stockbroker named Daniel Jones, who had worked as a volunteer in Reagan's campaign, said that these documents had been obtained by him from a "reliable White House internal source." Jones also wrote on one document: "Please deliver to Robert Gray, William Casey, and Ed Meese." Gray admitted he had received this material, but Casey and Meese denied all knowledge of it.

Even more astonishing, the aides and staff of the Reagan campaign team got hold of a batch of secret documents of the Carter administration's National Security Council.

President Reagan's former National Security assistant Allen confirmed to reporters on 4 July that when working in Reagan's campaign team in 1980, he had received some duplicates of then President Carter's National Security adviser Brzezinski's daily reports. Brzezinski recently pointed out that these documents recorded Carter's daily words and deeds. He said that these were "top secret reports, and if they were leaked outside the White House, that was extremely serious criminal behavior."

Moreover, according to the revelations of some of Reagan's campaign aides, the present CIA Director Casey set up an "intelligence action plan" during the final stages of the 1980 election campaign, for the specific purpose of probing whether Carter would launch an "October surprise attack" on Iran. Casey was worried that the vote for Carter would be greatly increased if the dramatic action of rescuing the American hostages held in Iran was undertaken on election eve. However, retired general Robert Carrick, who was in charge of Reagan's campaign plan and strategy, said that the intelligence group in the campaign team had gotten information on troop and transport aircraft movements from retired military officers.

Volumes of recent press, television, and radio reports here have shown that although the Reagan campaign team did not all say the same thing on this affair, and contradicted each other, it was an indisputable fact that they got hold of Carter's debating strategy notebook and various documents and intelligence of the Carter administration. The FBI and a subcommittee of the House of Representatives are currently carrying out an investigation into the important question of precisely how the Reagan campaign team got hold of these materials. People concerned estimate that if the results of the investigation confirm that there was indeed illegal activity, this matter will turn into a "second Watergate" for the White House, which will without doubt have a big effect on the prestige of the Reagan administration and on next year's presidential election.

Although the Reagan administration has recently kept silent on this affair, it is feeling more and more uneasy and worried. There is a sharp difference of opinion between the "conservatives" and "moderates" in the White House over the affair. President Reagan himself publicly denied on 28 June that he had seen or heard any materials from the Carter camp. He then kept silent for a week. On 8 July Reagan told reporters after a meeting with top aides that he had demanded that the members of his cabinet, including Casey and himself, "fully cooperate" with the FBI, be prepared to answer questions at any time, and "clarify the truth." If it were found that Cabinet members had behaved impermissibly, he would take the necessary action, including firing them. That President Reagan publicly pledged "cooperation" with the FBI after denying things and then keeping silent cannot but make people pay still more attention to the development of this affair.

#### REPORTAGE ON MIDEAST TOUR OF SECRETARY SHULTZ

Meets Begin 7 July

0W071806 Beijing XINHUA in English 1559 GMT 7 Jul 83

[Text] Beirut, July 7 (XINHUA) -- U.S. Secretary of State George Shultz held talks today with Israeli Prime Minister Menahem Begin in an attempt to persuade Israel to postpone its troop redeployment plan in Lebanon.

The Israeli authorities have prepared to withdraw a part of its troops from Lebanon but at the same time reinforce its occupation in southern Lebanon. This would possibly deadlock the Lebanon-Israel agreement and go against U.S. will to vitalize that agreement. Just a few hours prior Shultz's arrival, the Israeli Cabinet held a special meeting to hear a report on the matter.

Israeli radio declared that Moshe Arens, minister of defence, had proposed to accomplish this plan within five months. Quoting Begin, the radio said that Israeli Cabinet will make a decision on this issue after Shultz's visit.

Shultz arrived in Israel from Syria yesterday. During his 24-hour visit to Damascus, he held five-hour talks with Syrian president [as received] but failed to make President al-Asad agree to the Lebanon-Israel agreement and to withdraw Syrian troops simultaneously with Israel. However, they agreed to carry on the U.S.-Syria dialogue.

Shultz will leave Israel to visit Jordan and Egypt. At the same time, Morris Draper will come to Beirut to brief Lebanese president on Shultz's talks in Syria and Israel.

Ends Mideast Tour

OW080204 Beijing XINHUA in English 0155 GMT 8 Jul 83

[Text] Cairo, July 7 (XINHUA) -- U.S. Secretary of State George Shultz said today that the United States has the strong support of Egypt in bringing about the withdrawal of all foreign forces from Lebanon.

Speaking to reporters after a 75-minute meeting with Egyptian president Husni Mubarak, Shultz said that they discussed the problems of Lebanon and the Palestinian people. "Anybody who wants to see the withdrawal of Israeli forces from Lebanon should urge Syria and the PLO to withdraw," he said.

Shultz's unexpected visit here only lasted a few hours. Earlier he had visited Saudi Arabia, Lebanon, Syria, Israel and Jordan.

He said that his second Middle East tour was aimed at gathering information and exchanging ideas with leaders of the region. Sources here commented that Shultz got nothing substantial in the tour which was meant only to show that America's Middle East policy is not dead.

#### COMMENTARY VIEWS BUSH'S VISIT TO WESTERN EUROPE

OW081302 Beijing XINHUA in English 1243 GMT 8 Jul 83

[*"Commentary: 'Euromissile Year' and George Bush's Visit" -- XINHUA headline*]

[Text] Washington, July 7 (XINHUA correspondent Chen Si) - U.S. Vice President George Bush wound up his tour of eight West European countries today. This was his second visit to West Europe in the "Euromissile year."

Like his previous visit made in January, the current visit, started on June 23, was mainly a diplomatic drive to urge West European allies to implement the NATO decision to deploy U.S. Pershing-II and cruise missiles later this year. As part of the U.S. rivalry with the Soviet Union for nuclear superiority in Europe, Bush tried his utmost to clarify and peddle the nuclear policy of the Reagan administration.

Although the governments of some West European countries stand for a compromise with Moscow through negotiations on the question of medium-range nuclear arms in Europe, they have found no alternative but to accept the NATO decision. On the other hand, the United States and its European allies have been under the pressure of the anti-nuclear peace movement which is gaining momentum in West Europe.

The Kremlin has been playing the dual tactics of resorting to threats and waging peace offensives against the NATO bloc in an attempt to drive a wedge in the relations between the United States and West Europe and to foil the NATO plan for nuclear arms deployment.

In these circumstances, Bush attached special importance to his visit to West Germany, which is at the forefront of confrontation between the two military blocs in Europe. West German Chancellor Helmut Kohl told Bush that his government would not waver in its resolve to carry out the NATO deployment decision, but the American guest was greeted with a 20,000-strong protest demonstration in Krefeld in the western part of the Federal Republic.

Denmark is another host country attracting particular attention from the U.S. vice president. The Danish Government has opted for the NATO decision, but it is also the only West European government which has modified the NATO stance on missile deployment. This is understandable since the coalition government composed of four small parties holds only 66 of the 179 seats in the Folketing or Parliament and the opposition Social Democratic Party, the largest party in the Parliament, is opposed to the missile deployment plan. Social Democratic leader Anker Jorgensen emerged from his talks with Bush with a statement that his party will not change its position on the NATO decision. Bush reacted by saying afterwards that "some Europeans... simply don't understand the flexibility of the United States."

A second mission of Bush's tour was to explain and defend the U.S. policy toward Central America. He apologized for the U.S. interference in Central American affairs, which has been subjected to the censure of public opinion in West Europe. But his pledges about the U.S. commitment to "democracy" and "human rights" in Central America have proved unconvincing. Swedish Prime Minister Olof Palme told Bush that the people of all countries have the right to decide their own future and that the greatest differences between Sweden and the United States has been on the question of Central America. Demonstrations against the U.S. Central American policy took place in West Germany, Sweden and Iceland during Bush's tour.

Commenting on Bush's visit to West Europe, which covered Britain, West Germany, Norway, Sweden, Finland, Denmark, Ireland and Iceland, some American newspapers have expressed the worry that anti-U.S. protests will surge ahead in West Europe as the date for missile deployment is drawing near.

#### RENMIN RIBAO Analysis

HK090742 Beijing RENMIN RIBAO in Chinese 9 Jul 83 p 7

[ "News Analysis" by Chen Tean: "Why Bush Again Visited Europe" ]

[Text] U.S. Vice President George Bush has completed his 15-day visit to 8 European countries. This was his second trip to Europe within half a year, and it was focused on Scandinavia.

There have been a number of changes in Europe since Bush last visited there at the beginning of the year. First of all, the U.S.-Soviet missile struggle has become more and more intense.

After consultation with Western Europe, the United States coordinated the NATO stand on talks with the Soviet Union, and put forward a "new proposal" in March, advocating that the United States and the Soviet Union sign a "provisional agreement," which would stipulate that the United States reduce the number of missiles it originally planned to deploy in Europe, while the Soviet Union reduce the number of its medium-range missile warheads to a level equal to that of the United States, so as to express U.S. "earnestness" in the disarmament talks. And the results of the West German and British elections strengthened the U.S. stand in the talks with the Soviet Union to a certain extent. The United States announced that if the talks did not produce agreement, it would deploy new missiles in Europe. As for the Soviet Union, although its "peace offensive" did not gain the predicted results, it is not reconciled to showing weakness. The Soviet Union recently announced that if the United States deploys new missiles in Europe, it is resolved to adopt corresponding measures to meet the U.S. challenge. The U.S.-Soviet struggle over the missile issue has caused growing anxiety among the countries and peoples of Europe. In May, the Danish Parliament adopted a resolution instructing the government to block the plan to deploy medium-range missiles and demanding that the deadline on the medium-range missiles talks be extended. In Norway, the former ruling Labor Party, which had taken part in framing NATO's "dual resolution," adopted a disarmament program at its annual congress, announcing that even if the Geneva talks produced no results, they would not agree to the deployment of new U.S. missiles in Europe at yearend. Western public opinion holds that these developments are clearly unfavorable for the United States and may even lead to another serious difference of opinion among the Western countries. It was precisely because of this that Bush visited Europe and focused his trip on Scandinavia.

During his visit, Bush held a broad exchange of views with various national leaders, concentrating on discussing the following three issues:

1. The U.S.-Soviet disarmament talks. Wherever he went, Bush exerted himself in stating from every angle that the United States is "sincere" about the talks and so long as the Soviet Union demonstrates a flexible attitude, it is possible to reach agreement; at the same time, he also comforted a number of countries by saying that even if the United States deploys new missiles, the United States and the Soviet Union can continue the talks, and "things put in can be taken out." In view of Soviet accusations, Bush also guaranteed to the Scandinavian countries that the United States certainly does not intend to fight a nuclear war and will not turn Scandinavia into a battleground.
2. The Scandinavian nuclear-free zone. This is a question of concern to certain Scandinavian countries, and it is a matter of which the Soviet Union has consistently made an issue. The Soviet Union has continually declared to the Scandinavian countries that it is willing to prepare to withdraw its nuclear submarines from the Baltic, and has even said that it is prepared to allow the Scandinavian nuclear-free zone to include a portion of Soviet territory; not long ago it also announced that it was "willing to become the guarantor of the Scandinavian nuclear-free zone," and so on. Obviously the Soviet aim is to win over the Scandinavian countries, to put pressure on the Western countries and thus hold up NATO's plans for deploying new missiles. Bush also stated the U.S. attitude on this issue. He said that the United States sympathizes with the idea of setting up a Scandinavian nuclear-free zone, but a lot of work is needed to implement such a proposal. He stressed that the establishment of a Scandinavian nuclear-free zone would be determined by the outcome of the Geneva talks on nuclear arm control.
3. U.S. policy in Central America. For some time now, the countries of Europe have leveled much censure at the United States on this question.

During his visit Bush did his utmost to explain things, saying that the U.S. aim in Central America is to "solve the conflict through economic, not military, means," and demanding that the Europeans understand the U.S. policy.

However, the Bush visit was unable to completely clear away people's anxieties. According to reports, the differences between Sweden, Finland, and other countries and the United States over the Central American issue and the Scandinavian nuclear-free zone are still there, and they still feel unhappy over the deadlock in the U.S.-Soviet talks on missiles in Europe. It seems that these difficult problems are certainly not something that can be solved by one visit.

FURTHER ON VISIT OF DPRK ASSEMBLY DELEGATION

## Given Banquet in Nanjing

SK110251 Beijing in Korean to Korea 1100 GMT 9 Jul 83

[Text] The Jiangsu Provincial People's Congress Standing Committee arranged a banquet for a delegation of the Supreme People's Assembly led by chairman Yang Hyong-sop.

Chu Jiang, chairman of the Standing Committee of the Jiangsu Provincial People's Congress, delivered a toast at the banquet overflowing with a warm and friendly atmosphere. In his speech, he said that Nanjing was visited by the great leader of the Korean people Comrade Kim Il-song and by Comrade Kim Chong-il, one of the principal leaders of the WPK. Following Comrade Hu Yaobang's directives that, like all the people, the people of Jiangsu should treasure Sino-Korean friendship as they do their eyes, they are strengthening cooperation with Korea in various fields and making active efforts to develop Sino-Korean friendship.

Chairman Yang Hyong-sop said: The Korean people most value friendship with the Chinese people. They will make all possible efforts to develop this friendship generation after generation. He hoped that the people of Jiangsu Province will attain greater success in the work of implementing the decisions of the 12th CPC Congress and of the First Session of the Sixth NPC.

The Korean delegation came from Beijing to Nanjing on a special plane yesterday morning, accompanied by Comrade Fu Hao, member of the Standing Committee of the NPC. On 8 July, the Korean guests inspected the Nanjing Grand Bridge, the Nanjing medicine plant and the exhibition of light industrial products of Jiangsu Province. Chairman Yang Hyong-sop said: The Grand Bridge is a great creation of the Chinese people. It is marvellous.

## Meets With Han Peixin

OW101713 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 9 Jul 83

[Text] Han Peixin, member of the CPC Central Committee and secretary of the Jiangsu Provincial CPC Committee, had a cordial meeting at Nanjing's Jinling Restaurant this noon with a delegation of the Korean Supreme People's Assembly headed by its speaker, Yang Hyong-sop.

He and the guests had pleasant conversations in an atmosphere of friendship between the Chinese and Korean peoples. Comrade Han Peixin said: We are particularly happy to be able to meet speaker Yang Hyong-sop and the other Korean guests today at this restaurant where we met with Comrade Kim Chong-il on 5 June. When you return home, please convey the Jiangsu Provincial Party Committee's best regards and respects to President Kim Il-song, Kim Chong-il and the Korean people.

Speaker Yang Hyong-sop replied: Nanjing is an ancient Chinese city. It is a place the Korean people are very familiar with. After returning home from China, Comrade Kim Chong-il told us that he had deep and beautiful memories of his visit in Nanjing. We are deeply touched by your meeting us here in this modern restaurant today.

After the meeting, Han Peixin, Fu Hao, and Chu Jiang accompanied speaker Yang Hyong-sop to the rotary palance on the restaurant's 36th floor to have a panoramic view of the ancient city of Nanjing and have lunch together there.

Today Yang Hyong-sop and the other Korean guests visited the Nanjing movie machinery plant, the memorial office at the Meiyuan New Village [Zhou Enlai's former residence] and the Zijinshan observatory, and toured the scenic eastern suburbs and the park by Lake Xuanwu.

I. 11 Jul 83

PRC INTERNATIONAL AFFAIRS  
SOUTHEAST ASIA & PACIFIC

E 1

PRC SPOKESMAN ON YOODE'S PARTICIPATION IN TALKS

OW081443 Beijing XINHUA in English 1436 GMT 8 Jul 83

[ "Chinese Foreign Ministry Spokesman Says Youde Will Take Part in Sino-British Talks as British Government Delegation Member" -- XINHUA headline ]

[Text] Beijing, July 8 (XINHUA) -- Chinese Foreign Ministry spokesman said here today that Edward Youde, British governor of Hong Kong, will participate in the second phase of the talks on the Hong Kong issue between China and Britain as a member of the British Government delegation, representing the British Government. The spokesman made the statement in answer to a question by reporters.

Question: "Any comment on AFP and AP dispatches from Hong Kong that Governor Edward Youde told reporters yesterday he would represent the people of Hong Kong in the Sino-British talks."

Answer: "We have taken note of the news. The Sino-British talks on the Hong Kong issue is bilateral, between the Government of China and the Government of Britain. Mr. Youde will take part in the talks as a member of the British Government delegation. Therefore, he can only represent the British Government in the talks."

XINHUA BRANCH DIRECTOR MEETS HONG KONG GOVERNOR

HK081439 Beijing ZHONGGUO XINWEN SHE in Chinese 1348 GMT 8 Jul 83

[Text] Hong Kong, 8 Jul (ZHONGGUO XINWEN SHE) -- This afternoon, Xu Jiatun, a director of the Hong Kong branch of the XINHUA NEWS AGENCY, Li Jusheng, second director, and Li Chuwen, deputy director, went to the Governor's House to pay a courtesy call on Sir Edward Youde. Those who accompanied Xu Jiatun to the Governor's House were Tan Gan, deputy chief editor of the Hong Kong branch of the XINHUA NEWS AGENCY, and Ji Shaoxiang, secretary of foreign affairs. Those on the Hong Kong side at the meeting were Haddon-Cave, chief secretary; Robin McLaren, political adviser; Margolis, deputy political adviser; and Y.P. Cheng, chief interpreter.

MPR ENVOY HOSTS PARTY MARKING MPR ANNIVERSARY

OW091250 Beijing XINHUA in English 1228 GMT 9 Jul 83

[Text] Beijing, July 9 (XINHUA) -- Puntsagiyn Shagdarsuren, ambassador of the Mongolian People's Republic to China, gave a cocktail party at the embassy here this afternoon in celebration of the 62nd anniversary of the Mongolian People's revolution. Iu Cui, vice-president of the Chinese People's Association for Friendship With Foreign Countries, was among the guests. Yesterday evening, the Mongolian ambassador and Mrs Shagdarsuren nyamaa gave a reception at the embassy for the occasion. Among the guests was Han Nianlong, advisor to the Chinese Ministry of Foreign Affairs.

BURMA'S TIN OHN GIVES RETURN BANQUET IN BEIJING

BK101146 Beijing in Burmese to Burma 1130 GMT 9 Jul 83

[Text] U Tin Ohn, Burmese deputy foreign minister and leader of a good-will delegation from Burma, gave a return banquet at the state guesthouse in Beijing yesterday evening.

Among those attending were Chinese State Council member and Foreign Minister Wu Xueqian, Vice Foreign Minister Gong Dafei, and Assistant Foreign Minister Liu Shuqing.

Speaking at the banquet, Deputy Foreign Minister U Tin Ohn said Burma and China are very intimate and friendly neighboring countries.

He said the friendship, which was born and established many years ago, has developed successively as it was strengthened by the leaders and in accordance with the endeavors and wishes of the people. He said we will strive to maintain and foster this trend. He added: I am overjoyed by the warm and friendly reception accorded to me by the Chinese leaders during my visit here and by the talks of friendship between our two countries. It was very beneficial to have talks and to exchange views with Vice Foreign Minister Gong Dafei. I believe my visit to the historic sites and beautiful regions of China will be very gratifying and informative. Once again, I would like to express my special appreciation to the Chinese Government for arranging such a complete program. My visit here can be regarded as a good and successful one.

In his address to the banquet, Chinese Foreign Minister Wu Xueqian: The friendly speech just delivered by His Excellency U Tin Ohn once again reflects the ardent desire to further develop the traditional friendship between the two peoples as well as the great, profound, and kindred love and goodwill the Burmese people have for the Chinese people. A poem written by Marshal Chen I more than 20 years ago entitled "A Gift to Burmese Friends" says: Together, we, neighbors, shall look to and strive toward the goal of love and friendship; never-wearying will this love be; it will remain like the fresh, ever-flowing river waters on the umber mountain ranges. He said: We firmly believe that without fail the Chinese and Burmese peoples will live in friendship for generations to come. During the visit to Beijing by Burmese friends, our two sides have had close and cordial talks which have developed mutual understanding and friendship. Your Excellency will be visiting other regions; I hope that Your Excellency, from the viewpoint of a historian, will be able to provide us with valuable suggestions after studying the tasks undertaken in China today. We cordially invite Your Excellency U Tin Ohn and other Burmese friends to visit our country frequently. Minister Wu Xueqian also wished for the complete success of the Burmese delegation's visit to China.

Deputy Minister U Tin Ohn and other Burmese guests left Beijing today for a visit to Shanghai and (?Hangzhou). During their stay in Beijing, the distinguished Burmese guests visited the Great Wall, the Summer Palace Gardens and the Ancient Palace.

#### THAI CULTURE DELEGATION ATTENDS BEIJING BANQUET

OW061938 Beijing XINHUA in English 1617 GMT 6 Jul 83

[Text] Beijing, July 6 (XINHUA) -- A 10-member delegation from the National Cultural Commission of Thailand were guests of honor at a banquet hosted by the Chinese Ministry of Culture in the Great Hall of the People tonight. The Thai delegation, led by Vice-Minister of Education Samphan Thongsamak, arrived in Beijing yesterday for consultation on future Sino-Thai cultural exchanges. Zhu Muzhi and Samphan Thongsamak expressed satisfaction over the development of cultural relations between the two countries. Both said they expected more exchanges in the future. Chen Xinren, advisor to the Ministry of Culture, said a troupe from the Beijing Dance Institute will leave for a performance tour of Thailand later this year. A Thai library delegation will visit China in return. There will also be exchanges in other fields, including education, sports and public health, he said. The Thai delegation will visit Xian, Kunming and Guangzhou during their two-week stay in China.

#### Talks With Li Peng

OW081413 Beijing XINHUA in English 1306 GMT 8 Jul 83

[Text] Beijing, July 8 (XINHUA) -- Li Peng, vice-premier of the State Council, this afternoon met with the delegation from the National Culture Commission of Thailand and had a cordial and friendly talk with the Thai guests.

The Thai delegation is led by Samphan Thongsamak, vice-minister of education. Present on the occasion were Chen Xinren, advisor to the Chinese Ministry of Culture, and Somphand Kokilanon, minister of the Thai Embassy in China.

#### THAI DELEGATION LEAVES GUANGZHOU FOR HOME

OW091405 Beijing XINHUA in English 1351 GMT 9 Jul 83

[Text] Guangzhou, July 9 (XINHUA) -- The officials' delegation of Thai Foreign Ministry led by Asa Sarasin, permanent secretary of the Foreign Ministry of Thailand, wound up its visit to China and left here for home via Hong Kong this evening. The Thai guests were seen off at the airport by Zhang Dwei, deputy director of the Asian Affairs Department of the Chinese Foreign Ministry. The delegation arrived here from Quilin this morning. Yang Li, vice-governor of Guangdong, met and feted the Thai guests at noon.

#### SITTHI ATTENDS PRC EXHIBITION OPENING IN BANGKOK

OW101128 Beijing XINHUA in English 1115 GMT 10 Jul 83

[Text] Bangkok, July 10 (XINHUA) -- A Chinese arts and crafts exhibition opened here today with messages of congratulations from Thailand's deputy prime minister and foreign minister. This is the second such exhibition held in Thailand in 14 months. Among the exhibits on display are cloisonne enamel, jadeware, porcelain, glazed coloured pottery, bone carving, miniature trees and camphorwood furniture.

Attending today's opening ceremony were Sitthi Sawetsila, foreign affairs minister of Thailand; Uthai Phimchaichon, speaker of the House of Representatives; Prida Phatthanathabut, university affairs minister; parliamentarians as well as leaders of the local Chinese community. Chinese Ambassador to Thailand Shen Ping was also present.

Writing for the special issue published by the exhibition, Deputy Prime Minister Buntheng Thongsawat said that the exhibition demonstrates the cooperation and unity among the Thai and Chinese peoples as well as the cultural exchanges between the two countries. It will surely help increase the mutual understanding between the two peoples, he added. In the same issue, Sitthi Sawetsila hoped that cultural exchanges and friendly relations between the two countries and two peoples will be furthered through this exhibition. The current Chinese exhibition will be on until July 31.

#### RENMIN RIBAO ON NATURE OF KAMPUCHEAN ISSUE

HK071144 Beijing RENMIN RIBAO in Chinese 7 Jul 83 p 6

[Commentator's article: "The Nature of the Kampuchean Issue Must Not Be Distorted"]

[Text] Vietnamese Foreign Minister Nguyen Co Thach has indulged recently in unbridled propaganda of a view that "the Kampuchean issue is mainly a problem between China and Indochina," "a problem between China and Vietnam." People remember that at the early stage of Vietnam's invasion and occupation of Kampuchea, the Vietnamese authorities refused to admit the existence of the "Kampuchean issue" and declared that "discussions" on the Kampuchean issue were "intolerable." The purpose of the Vietnamese authorities in changing their tune this way is to distort and cover up the nature of the Kampuchean issue.

As everybody knows, the Kampuchean issue emerged only after the Vietnamese authorities, supported by the Soviet Union, sent their troops to invade and occupy Kampuchea at the end of 1978.

Having failed to write off the Kampuchean issue at one stroke, the Vietnamese authorities are attempting to distort the nature of the Kampuchean issue and call it a problem of relations between China and Vietnam. This tactic is indeed too clumsy. What actually is the nature of the Kampuchean issue?

The purpose of Vietnam's invasion and occupation of Kampuchea is to control and enslave its neighbor and to rig up an "Indochinese federation." After succeeding in controlling Laos, the Vietnamese authorities resorted to various means of alternate intimidation and bribery in their attempts to compel Democratic Kampuchea to submit. But the latter persisted in upholding independence, and all Vietnam's attempts came to nothing. So, Vietnam brazenly launched a large-scale armed invasion of Kampuchea and, immediately after, propped up the Heng Samrin puppet regime. This is an undisguised aggressive act of brutally trampling on the independence and sovereignty of Kampuchea.

Vientam's invasion and occupation of Kampuchea is also an open violation of the UN Charter and norms of international relations. The Vietnamese authorities spread rumors to vilify the Democratic Kampuchean Government and purposely exaggerated some mistakes in Kampuchea's domestic policies with a view to make its "aggression justifiable." We merely ask: "If such a pretext is acceptable, can any country not carry out armed aggression against another country simply because it does not agree with or opposes the domestic policies of that country? In addition, will universally recognized norms of international relations such as mutual respect for independence, sovereignty, and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality among all nations, big or small, and peaceful coexistence continue to exist, and will there still be generally acknowledged truth, justice, and order in the international community?

Vietnam's invasion and occupation of Kampuchea has directly threatened the peace and security of Southeast Asia as well as Asia. The occupation of Kampuchea, the establishment of the "Indochinese federation," and consequently the domination of Southeast Asia are integral parts of Vietnam's wildly arrogant plans. In the past few years, aggressive Vietnamese troops in Kampuchea have time and again violated Thailand's territorial integrity, also tens of thousands of Kampuchean refugees have poured into Thailand, adding heavy burdens to Thailand's economy. On many occasions, Nguyen Co Thach threatened and blackmailed the ASEAN countries, saying that Vietnam intends to "escalate confrontation" and "increase conflicts" with ASEAN and that it will give support to "resistance movements" within the ASEAN countries. As pointed out in the communique of the 16th ASEAN foreign ministers meeting which was held not long ago, "the continued occupation of Kampuchea by Vietnamese troops still constitutes a serious threat to the peace and stability of Southeast Asia as well as the peace and security of the world at large." This is the conclusion drawn from reality by the ASEAN countries.

Vietnam's invasion and occupation of Kampuchea are supported and abetted by the Soviet Union. More than 4 years ago, it was precisely immediately after Vietnam and the Soviet Union signed the "friendship and cooperation treaty" and when large quantities of arms and ammunition were sent to Vietnam that the war of aggression against Kampuchea broke out. For more than 4 years, it is also precisely by depending on aid and large quantities of weapons provided by this superpower that Vietnam has maintained its military occupation of Kampuchea. In order to establish world domination, this superpower also needs Vietnam's threat against Southeast Asia to extend its power and influence in Southeast Asia, to control the Strait of Malacca, and to implement its strategy in the Pacific in conjunction with its strategy in the Indian Ocean. Thus, it will not be difficult to understand that the Kampuchean issue is placed against a deep international background and is linked with the struggle of the people of the whole world in safeguarding peace in Asia and the world.

All this has proved that the Kampuchean issue is not only a question of the Kampuchean people's resistance against Vietnamese aggression, but is also a question of opposition to aggression and safeguarding peace in Southeast Asia and the world by all countries and people throughout the world who uphold justice. This question involves not only the destiny of the Kampuchean nation, but also the overall strategic situation of the world. If we say that the Kampuchean issue is a question of relations between some people, we should say that it is a question between the Kampuchean people, the people of the ASEAN countries, the Chinese people, and the people of the whole world on the one hand, and the Vietnamese aggressors on the other. How can we regard this major issue, which involves the world's overall situation, as mainly a problem of relations between China and Vietnam or a problem of relations between Vietnam and some other countries?

To be sure, China holds that the Kampuchean issue is one of the major obstacles to the normalization of Sino-Vietnamese relations. However, this statement is totally different from Nguyen Co Thach's assertion that the Kampuchean issue is mainly "a problem between China and Vietnam." The reason why the Kampuchean issue turned out to be a major obstacle to the normalization of the Sino-Vietnamese relations is, in the first place, based on the following fact: Although there were certain problems with regard to and disputes over the relations between China and Vietnam, the drastic change in the bilateral relations took place after the Vietnamese invasion of Kampuchea. Since China resolutely opposes the Vietnamese invasion and expansion, Vietnam has intensified its anti-Chinese activities and wantonly jeopardized Sino-Vietnamese relations. In fact, invading Kampuchea and opposing China are two correlated aspects of the attempt of the Vietnamese authorities to seek regional hegemony.

Adhering to its foreign policy of opposing hegemony and safeguarding world peace and to its basic stand for international justice, China, as a member of the United Nations and a close neighbor of Kampuchea, will of course stand on the same side with those countries in the world which uphold justice, resolutely support the Kampuchean people in their struggle against the Vietnamese aggressors, and push Vietnam by every means to implement the resolution adopted by the UN General Assembly and the manifesto of the international conference on the Kampuchean issue and to withdraw all its troops from Kampuchea and thus create the condition for a correct settlement of the Kampuchean issue. Therefore, as long as Vietnam continues to occupy Kampuchea and the Kampuchean issue remains unsolved, it is difficult to improve Sino-Vietnamese relations. In view of such actual circumstances, the Chinese Foreign Ministry solemnly declared on 1 March: "If the Vietnamese Government decides and declares that it will withdraw its troops from Kampuchea, China will resume the negotiations with Vietnam and will reopen the talks on the normalization of relations between the two countries as soon as the first batch of the Vietnamese troops have withdrawn from the country. Furthermore, following the continuous withdrawal of Vietnamese troops, China will take real actions to improve its relations with Vietnam." Here, it is quite clear that Vietnam invaded Kampuchea and created the Kampuchean issue before the issue became a major obstacle to Sino-Vietnamese relations, and one can easily distinguish between who is right and who is wrong. This declaration by China is worlds apart from the statement by Nguyen Co Thach, who asserted that the Kampuchean issue was "a problem between China and Vietnam."

In fact, by denying the existence of the Kampuchean issue or by classifying the Kampuchean issue as "a problem between China and Vietnam," the Vietnamese authorities are playing fraudulent tricks.

The sole purpose of the Vietnamese authorities in playing different tricks is to distort the nature of the Kampuchean issue, to conceal their crime of invading Kampuchea, and to deceive the international community into recognizing the fait accompli of their occupation of Kampuchea. The purposes of the Vietnamese authorities in spreading their assertion that the Kampuchean issue is mainly a problem between China and Vietnam are: first, to provide "evidence" for the fiction of the so-called "Chinese menace" which they fabricated, to shift the world's attention from the Kampuchean issue onto China, and thus to mitigate the international community's pressure on Vietnam to withdraw its troops from Kampuchea; second, to incite the ASEAN countries to "lay" the Kampuchean issue "aside," to foment discord between China and the ASEAN countries, to sow dissension among the latter, and to undermine the unity between different forces in the world which support Kampuchea in its struggle against the Vietnamese aggressors so that Vietnam can take advantage of the situation; third, to spread confusion in the world before the opening of the 38th UN General Assembly, to continue to place obstacles before the discussion of the UN General Assembly on the Kampuchean issue so as to fulfill the Vietnamese dream of "emptying the seat of Democratic Kampuchea."

However, like all previous tricks played by the Vietnamese authorities, this fraud perpetrated by Nguyen Co Thach will finally be seen through by others. The people of the world are all quite clear about the Kampuchean issue. No attempt by Vietnam can change the ironclad fact. We advise the Vietnamese authorities to honestly act according to the resolutions adopted by the UN General Assembly and the manifesto of the international conference on the Kampuchean issue since all fraudulent tricks eventually will prove to be useless.

XINHUA COMMENTARY ON SRV'S TROOP PROPOSALS

0W081706 Beijing XINHUA in English 1615 GMT 8 Jul 83

[ "Commentary on Nguyen Co Thach's Latest Statement About Keeping Vietnam's Troops in Kampuchea 'Until Hell Freezes Over'" -- XINHUA headline ]

[Text] Beijing, July 8 (XINHUA correspondent) -- Vietnamese Foreign Minister Nguyen Co Thach told Australian Foreign Minister Bill Hayden in Hanoi that Vietnam is prepared to keep its troops in Kampuchea "until hell freezes over if that's necessary"; this shows Vietnam is not softening its rigid attitude on troop withdrawal.

Thach's first reason for keeping troops in Kampuchea is that Vietnam's withdrawal would give rise to the "Khmer Rouge" there; and secondly, Vietnam's security would be endangered. But his argument doesn't hold water. Now there are also people in other parts of the world who hold similar views. They believe that Vietnamese withdrawal would bring about two problems: one thing is that the forces of the Khmer Rouge "would inevitably roll across the border into Cambodia with the most devastating consequences; the second thing is that Vietnam's fears about its border security would be rekindled and we would have even greater instability."

It was in violation of the international norms that the Vietnamese authorities took advantage of some errors in policies of Democratic Kampuchea in the past as their reasons to send armed forces to occupy Kampuchea. It is fallacious too for Vietnam now to assert that the situation in Kampuchea will be worsening after Vietnamese troop withdrawal. It is fantastic because things have now changed fundamentally in Kampuchea: Democratic Kampuchea has corrected its errors in the past (which were overstated indeed by the Vietnamese authorities); the present Democratic Kampuchean Government is a tripartite coalition government whose composition also includes Samdech Norodom Sihanouk and Son Sann; a new government will be formed by the Kampuchean people themselves

through a free election under the supervision of the United Nations, after withdrawal of Vietnamese troops, and the status of Kampuchea's independence, peace, neutrality and non-alignment will be guaranteed by the international community. Therefore, Vietnam's assertion is a sort of excuse fabricated by the Vietnamese authorities for backing its refusal to withdraw its troops from Kampuchea.

It is absurd too for Nguyen Co Thach to assert that the security of the Vietnamese border area would be "endangered" when Vietnam withdrew its troops from the country. The so-called "China threat" is Hanoi's old tune and few people in the world believe it. It is known to all that in the past, Vietnam regarded China as its friendly neighbor for it had supported the Vietnamese liberation struggle. However, when China firmly opposed Vietnam's invasion of Kampuchea in 1978 Hanoi suddenly turned hostile towards China and started to see its former friendly neighbor as a threat.

The key to the solution of the Kampuchean problem is the immediate and total pull-out of Vietnamese troops from that country. This is the opinion of the world. However, there are people in the world who think that China holds the key to the solution of the problem. They even demand "flexibility" from China. Should such "flexibility" mean that China must forsake its principles, ignore recognised international norms and tolerate Vietnam's armed occupation of Kampuchea, the Vietnamese authorities would get more fearless in hanging on and a solution to the Kampuchean problem would be unlikely in the foreseeable future. The result of such "flexibility", therefore, is harmful not only to the Kampuchean people in misery but also to the security and stability of the ASEAN countries and the Asia-Pacific region as a whole, and to the peace of the world.

#### RENMIN RIBAO SCORES VIETNAM'S OBSTINACY

HK100738 Beijing RENMIN RIBAO in Chinese 10 Jul 83 p 6

[ "International Jottings" by Zhi Guang: "No Need to Wait Till the Sun Rises in The West" ]

[Text] According to reports, Vietnamese Foreign Minister Nguyen Co Thach said in Hanoi to visiting Australian Foreign Minister Hayden that Vietnam was prepared to hang on in Kampuchea "till the sun rises in the west."

"The sun rising in the west," a natural phenomenon held to be forever impossible, is not actually something that can be changed by man. By using this expression to show Vietnam's attitude in refusing to withdraw its troops from Kampuchea, Nguyen Co Thach only showed how incorrigibly obstinate Vietnam is. However the Hanoi power-holders ought to realize that all diehards in the world are in fact obstinate but not permanent. The Vietnamese invasion of Kampuchea is an abnormal phenomenon in human society, and so mankind can change it. The Vietnamese Army will have to get out of Kampuchea sooner or later, either being compelled to withdraw by strong pressure from the Vietnamese people and the international community, or being kicked out by the Kampuchea people united for battle. This is something that cannot be resisted by Nguyen Co Thach and his ilk, and still less is it necessary to wait "till the sun rises in the west."

DENG XIAOPING 1979 SPEECH ON SCIENCE, EDUCATION

HK080924 Beijing GUANGMING RIBAO in Chinese 2 Jul 83 pp 1, 3

[Speech by Deng Xiaoping entitled, "Several Opinions Concerning Science and Education Work," delivered on 8 August 1977 at a "science and education work forum"]

[Text] The main purpose of this science and education work forum is to hear everyone's opinions and to allow everyone to learn from one another. If the layman is to be in charge of the expert, study is vital. The central authorities have agreed with my offer to undertake the work involved in being in charge of science and education. Where should we start if China is to catch up with the world's developed and advanced countries? I believe that we should start with science and education. Science does, of course, include the social sciences, even though this forum was unable, due to the limitations of time, to invite any social scientists. This forum has allowed me to learn and come to understand several situations and I have also begun to understand which problems need to be solved first. There are perhaps some problems and questions which have not been completely discussed by everyone here, or which have not been completely clarified due to the amount of time we have available. Fortunately, we will have opportunities in the future to discuss such questions and problems.

1. On the question of evaluating the 17 years.

A question which concerns everyone is how to evaluate the 17 years after the founding of New China. In terms of scientific research this question has basically been resolved and answered, but in the area of education there is still a lack of answers. This question must be answered.

I myself believe that during most of the time prior to the Cultural Revolution, Mao Zedong's series of directives concerning scientific research work and cultural educational work did, in their basic spirit, encourage, promote, and regard the vast majority of our intellectuals as good and serving socialism or wanting to serve socialism. After 1957, he did rather go to extremes in some of the things he said but during the early 1960's, he was still supporting the 14 scientific opinions (footnote 1) ("The 14 Opinions Concerning the Present Work of Natural Science Research Bodies (draft)," drawn up in June 1961 by the leading party group in the National Science and Technology Committee and the leading party group in the Chinese Scientific Academy, and approved for trial implementation in July of the same year by the CPC Central Committee. The central authorities' remarks on the approval of this draft read, "it is extremely important that work with intellectuals is carried out well", "in recent years many comrades have displayed one-sided understanding in their treatment and handling of knowledge and intellectuals, and there has also been an increase in brutal behavior towards such things." This requires serious attention and rectification and correct implementation of the party's policies". The draft correctly outlined the socialist and specialist demands on natural scientific workers and accurately implemented the principle of letting a hundred flowers bloom and a hundred schools of thought contend and the principle of linking theory with practice. It also clearly outlined the fundamental tasks of scientific research organizations (producing results and talent) and preserved the stable targets of scientific research work, guaranteeing the amount of time allotted to scientific research work, and improving party guidance methods within the scientific research organizations. It also drew up several concrete policies and stipulations. The central authorities considered that the spirit of this document was relevant to all departments and work units which employed intellectuals.) and the 60 regulations for institutes of higher education. (footnote 2) (This refers to "The Provisional Work Regulations for Institutes of Higher Education under the PRC Ministry of Education (draft)," ratified in principle by the CPC Central Committee in September 1961.

(The regulations included a total of 16 clauses. This draft of regulations summarized and assimilated the 3 years of higher education work experiences and lessons accumulated since 1958, and was aimed at such serious problems as the low quality of teaching in educational establishments at that time, as well as the tendency to ignore the role of intellectuals and to over emphasize the role of labor. It stipulated that institutes of higher education must make teaching the priority and must work hard to improve the quality of teaching. It accurately implemented the party's policies concerning intellectuals and the principle of letting a hundred flowers bloom and a hundred schools of thought contend. It also implemented the system of responsibility of the committee for schools and colleges administrative affairs, headed by schools and colleges principal and under the guidance and leadership of the party committee. The draft dealt with the handling of general affairs and guaranteed material conditions for teaching and living. It also improved the party's methods of leadership and the leadership style of work, and strengthened ideological and political work and so on.) We must discuss and clarify Mao Zedong's leading ideology in education and his leading ideology concerning the question of intellectuals. Mao Zedong Thought represents our guiding ideology in every field and it should be expressed completely and accurately in its entirety. This is very important. How should we evaluate the 17 years of work on the educational front in China? As I see it, the red line represents the lead. We should confirm that during the 17 years, the vast majority of intellectuals, both scientists and educationalists worked hard and laboriously and achieved great success under the shining illumination of Mao Zedong Thought and under the accurate leadership of the party. For educationalists, their labors were particularly hard and difficult. Today, just about all the backbone strength that we have in each frontline has been fostered and trained by us since the founding of New China, and especially during the last 10 years or so. If we do not evaluate the 17 years in this way, then there is no way that we can explain all the successes that we have had.

How should we evaluate and assess the changes in the intellectuals' world views? The most important indication of a world view is whom one is serving. The vast majority of China's intellectuals are consciously and willingly serving socialism. Only a small minority are opposed to socialism and only a few are not very enthusiastic about socialism. Naturally, history constantly moves on and mankind's thinking changes constantly. There is a need not only to remold those intellectuals who have come from the old society, but in addition, those who have been fostered and trained since the founding of New China must continue to be remolded. Furthermore, the thinking or ideology of the peasants, workers, and members of the Communist Party must continue to be remolded. Mao Zedong said this very early on.

## 2. On the question of mobilizing enthusiasm.

To have solved the question of evaluating the 17 years takes, at the very least, a spiritual burden off everyone. As far as the situation today is concerned, we must pay particular attention to mobilizing the enthusiasm of educationalists and we must stress respect for teachers. The hopes of China's scientific research have their source within the ranks of the educationalists. Scientific research depends on education to produce talent, and thus we must organize education well. The carrying out of educational work must be placed on the same level of importance as carrying out scientific work, so that both of them receive equal respect and attention. A primary school teacher who puts his or her all into teaching is indeed a valuable asset. We should accept that the amount of work that a primary school teacher does is no less than the amount of work done by a university teacher, and thus a primary school teacher should be regarded just as highly as a university teacher. Those who dedicate their whole lives to teaching should be given encouragement. I propose that next year China launch a national education forum at which teaching experiences may be exchanged and assessed and where prizes and awards may be given to successful university, secondary school, and primary school teachers. Such a forum has not taken place for many years.

Scientists and educationalists are all workers. There is mental labor and there is physical labor. Scientific work and educational work both involve mental labor, and mental labor is still labor. There is one scientist who feels that growing crops at an agricultural scientific center is not real labor, and that it is only real labor if done in the countryside. This is really very strange. There are many agricultural schools and colleges which nuture their own seed varieties, plant their own fields, and so on. How can this not be labor? Scientific experiments are also labor. Does one have to be holding a hoe before one's work counts as labor? Does one have to be operating a lathe before one's work counts as labor? Automatic production involves standing all day long looking at dials and gauges. This is also labor. Such work is just as strenuous and what is more it does not permit any error. Such questions as these must be clarified because they are connected to the question of mobilizing the enthusiasm of the intellectuals.

We must respect labor and talent. Comrade Mao Zedong did not believe in the theory of innate genius but he was not opposed to showing respect for talent. When he was evaluating me he once said "talented men are hard to come by." In all honesty this appraisal is too high, but this phrase does illustrate that talent is important and that Mao Zedong respected talent. You have all been saying that scientific research organizations should produce results and talent; the same applies in the area of education. There is talent to be found among secondary and primary school teachers for it is the good teachers who have the talent. We should cherish labor and cherish talent since talent is not found everywhere! We should give expression to the specialist skills of the intellectuals, for it is no good if what one is applying is not what one has learned. It has been suggested that we should round up and use those who have changed their occupations, if they show good standard and potential for further training. This is a good idea. The "gang of four" set up what was referred to as "the stinking ninth". The "old ninths" were not actually bad and in "The Taking of Tiger Mountain by Strategy" the "old ninth" Yang Zirong was actually a good man! The mistake is in the word "stinking". Mao Zedong said the "we cannot let the old ninths go." This was correct. We must restore the reputation of the intellectuals. (footnote 3) (During the "Cultural Revolution", the "gang of four" branded intellectuals as landlords, rich people, reactionaries, evil people, rightists, traitors, spies, "capitalist roaders" and so on, and in addition they smeared them as being "the stinking ninth" [chou lao jiu]. On 3 May, 1975 when Mao Zedong called a meeting of the members of the CPC Central Committee's Political Bureau, he drew on a quotation from the Beijing Opera "The Taking of Tiger Mountain by Strategy," which ran "old ninths cannot be let go" and he used this quotation to criticize the way in which the "gang of four" had insulted and smeared intellectuals, thereby illustrating that the revolution and the construction program needed intellectuals.)

Some comrades say that we should have a reward and penalty system. This is a correct opinion. But it should be supplemented a bit by putting the emphasis on encouragement and rewards. Some people have made great contributions to China in the successes they have achieved in scientific research work. Should these people be encouraged or not? I believe they should. There are some people who bury themselves in scientific research and work arduously and they should be encouraged. But if even this is seen as a crime, what can we do? It may well be that some of them have shortcomings, but those working as leaders should have frequent heart to heart talks with them providing both political and ideological help. We shouldn't demand perfection. Mao Zedong once said that we must destroy the metaphysical notion that "gold must be pure and man must be perfect". This is a Marxist stance to adopt and it is a completely materialist attitude. Some people who have committed errors need a fitting punishment, but we should not stress punishment; we should stress help and we should earnestly help these people to rectify their mistakes and we should help them to advance and develop.

In addition to spiritual encouragement to intellectuals we should also adopt several other measures for encouraging them, including measures to improve their material treatment. The treatment of workers in education should be the same as treatment of scientists. If a scientific research worker is a part-time teacher, then the treatment should be even better, because he or she is doing even more work. As far as distribution according to work is concerned, it is simply stated as the more one works the more pay one gets, the less one works the less money one gets, and no work means no pay. As far as this question is concerned there are many concrete problems involved, from the theory to the practice, which demand investigation and solution. This is not merely a question related to the scientific and educational fields, it is an important nationwide question of policy.

### 3. On the question of systems and organizations.

One thing which came out very strongly in this forum was the desire for an organization to manage scientific work in a unified way. Education is organized by the Ministry of Education and as far as science is concerned everyone seemed to suggest that the national science committee be reestablished. We should confirm that the working principles of the national science committee in the past were correct and they were ratified by Mao Zedong in 1963, after he heard Comrade Nie Rongzhen's report. It was at that very report meeting that Comrade Mao Zedong said that we must fight the battle of science and technology and that if it was not fought successfully then it would be impossible to improve the productive forces. The former national science committee drew up a 12 year development plan for the sciences from 1956 to 1967, and these plans were basically complete by 1962, and later on another 10 year set of plans was drawn up. I have always felt that the present state of science and education is not satisfactory and that there is a need for an organization to carry out unified planning, unified management, unified organization and unified guidance and coordination. I personally approve of the idea of reestablishing the national science committee. When would be the best time to do so? How should it be organized and structured? Should military scientific research be included in the unified management? Such questions as these should be considered by the central authorities and the State Council and for the time being we can draw no conclusions. However, no matter what style of organization is chosen, it must involve unified planning. The planning should include not only specifications about research programs, it should also consider readjustments to research bodies stating which should be incorporated and which should be split up. There should also be unified planning about specialized fields of study in higher education, as to what should be incorporated and what should be split up, what should be increased, what should be reduced, and what should be wiped out. Military scientific research must also be included in the planning. At present, there are not many scientific research workers in China and we are not on the same level as advanced countries. This much we must admit. In the United States, there are 1.2 million scientific research workers, and sources from the year before last in the Soviet Union state that that country has 0.9 million scientific research workers, although now this number has increased. In China, the figure is around 200,000. However, just as some comrades have said, as long as we give full expression to the natural superiority of the socialist system and we organize our forces in a unified and rational way, then with our small number of scientific research workers we can still achieve more and do more than the same number of people in a capitalist country. The Academy of Sciences has drawn up an 8-year development plan for science and technology; perhaps it could be supplemented on the basis of everyone's opinions. The central authorities do not intend to authorize it immediately, instead the Academy of Sciences is to run pilot schemes first.

There is a problem of readjustment in both scientific research sectors and educational sectors. It is hoped that this readjustment work can be speeded up and even if it is not perfected yet it can always be gradually improved later. There are many concrete problems involved in readjustment and one of the most important is the suitable deployment of leadership groups. In any unit that I might suggest it is important that three people be carefully selected. To ensure unified leadership of the party committee, a secretary is very important and must be carefully selected. This then is the first person. The second person will be in charge of scientific research or teaching. He or she must be an expert or at the very least a layman approaching expert level. There should also be someone to manage rear-service or logistic work. This person must be industrious, thorough, and modestly heroic. With these three people things should not be too difficult to run and readjustments to other units beneath it and the implementation of plans can all be put into operation fairly smoothly.

Institutes of higher education, especially key institutes of higher education, should be an important front army for scientific research and this point must be firmly established. These institutes of higher education have potential and they have talent. In actual fact, in the past, institutes of higher education themselves actually did a great deal of scientific research. As institutes and colleges of higher education are reorganized and the quality of students improves, the scientific research capacity of these schools, universities, and colleges will gradually increase and their research responsibilities will increase too. If we move in this direction scientific development in China can be speeded up. Every field has questions and problems which must be researched, for example physics, engineering, agriculture, medicine, and so on. There is also theoretical research to be done in the area of the arts such as using a Marxist viewpoint to research economics, history, politics, law, philosophy, literature, and so on. At present we cannot allow all institutes and colleges of higher education to take on a great proportion of research work, but key colleges and universities should gradually increase their proportion of research work and thus gradually increase their research responsibilities. As far as the numbers of scientific research workers is concerned, perhaps after several years the numbers in scientific research bodies in universities and colleges will be the same as in specialized research bodies. Scientific research teams in the production sector number the most of all. Surely science is divided into the fundamental sciences and the applied sciences, is it not? The production sector may also do some fundamental scientific work but it should concentrate on the applied sciences. Colleges and institutes of higher education should do some more work in the fundamental sciences, but they too should also work with the applied sciences and this is especially true of engineering institutes and colleges.

There must be guarantees for the amount of time spent on scientific research so that scientific research workers may devote their utmost efforts to scientific research. At this meeting it was suggested that in 1 week, five-sixths of the time should be devoted to scientific research, and I have added the two words "at least" and you have added the word "must." This is marvellous! These three words will be added to the Academy of Science's documents when they are issued. I believe that if a person throws himself or herself into scientific research it should be permitted. If a person wants to, why shouldn't he or she work at scientific research day and night for 7 days a week?

If systems and set-ups are rationally organized then enthusiasm can be mobilized. We must fight for time and speed up reorganization.

4. On the question of the education system and the quality of teaching.

Education needs two legs on which to walk, and as far as higher education is concerned, universities and specialized institutes and colleges represent one leg, while the various assortment of work-study universities and spare-time universities represent the other leg. It is in the universities and specialized institutes and colleges that we must first concentrate our efforts and set up a batch of key colleges and institutes. In addition to the ones that the Ministry of Education must have, some of these key colleges and institutes should also be found in all provinces, cities, autonomous regions, and businesses and enterprises.

Students of universities and colleges of higher education come from secondary school, and secondary school students come from primary school, and this is the reason why we must put emphasis on secondary and primary school education. It is important that a good and healthy atmosphere be established and when we talk of this atmosphere or mood, no matter whether it is the party atmosphere, the military, civilian or school atmosphere, the most important is the party atmosphere. Among today's young people there are some who have some bad traits. These traits which are manifested as a bad atmosphere must be changed and this should be done by beginning in primary schools. For quite a long time after the founding of New China the general atmosphere in society, rules, and discipline were all very good. Students were consciously well-disciplined and one often saw red-scarfed Young Pioneers holding loudspeakers and ensuring that traffic regulations were adhered to. Later, the destruction wrought by the "gang of four" meant that the atmosphere turned bad. One of the greatest of the many crimes committed by the "gang of four" was the way in which they turned some young people bad. Today we must improve this atmosphere and this means that schools must foster a good atmosphere. What is needed is a healthy atmosphere and good habits in which everyone loves and respects work, is disciplined and strives for improvement. Teachers have a duty to promote this kind of good atmosphere. Teachers must become friends to the students and must make contact with the students' families, setting up mutual coordination so that between them they can teach the students well. There should be a reintroduction of guidance in students' extramural activities and the students' knowledge and aspirations should be improved so that the overall development of the students may be promoted. Comrade Mao Zedong advocated all-round development, including morality, wisdom and health.

We must study how to improve teaching standards. In the past few years teachers have not dared to teach; the responsibility was not theirs. Today they must not be afraid of teaching and in addition they must be good at teaching. In order that this may come about we must step up the work of training teachers. We should ask some good teachers to teach teachers. University teachers should help secondary school teachers to improve their standards. Quite a few of the comrades at this forum have tried this before and the results were good. Teacher training should be included in planning. Only if the teacher teaches well can the student learn well. Of course teaching and learning affect each other mutually. The causes of the problems which are emerging among students are many, some are socially caused and some are caused by the family, while others are connected to the teacher's ability to teach and lead the students. Teaching standards must be improved and this includes political and ideological standards, vocational work ability, and improving teaching styles and methods.

There are many concrete problems within the educational system. One of these is the problem of the length of schooling. We should do more research into the question of whether or not to restore a 5-year primary school and 5-year secondary school set up. (Footnote 4) (This refers to a proposal brought up at the time when the length of schooling in primary and secondary schools was too short. In 1977 the length of schooling in ordinary primary schools was generally 5 years and in ordinary secondary schools 4 years.)

Today opinions differ, but this is not the most relevant or important thing. The key point is teaching material. Teaching material must reflect the advanced standards of modernized science and culture and at the same time it should also correspond to China's present situation. Another problem is whether to restore the vacation system. During vacation student activities should be organized on a lively and boisterous scale with a great deal of diversity. Some students may make up missed lessons. Teachers should be allowed to take leave to give them time to recover from their exhaustive work, ponder various problems, and assess their experiences, and give them time to rest and reorganize things, and we should not take up all of their vacation time. By striking a proper balance between work and rest the quality of teaching will not fall, it will rise. Another problem is enrollment in institutes and colleges of higher education of secondary school students. This year we must definitely restore the system of direct enrollment into higher education by examination and we should not continue mass-recommendation. I believe that direct enrollment from secondary school will quickly produce talent and will bring quick results. Another problem is that of skipping or repeating a grade. This actually only affects a very small number of people. I personally lean towards permitting the skipping of grades, for in this way talent will be produced from our schools even more quickly. We should first try out pilot schemes in some schools. Careful attention should be paid to the problem of repeating grades. The utmost should be done to ensure that a whole class of students is taught well and if any students do unsatisfactorily in examinations they should be allowed to retake the exam. Repeating a grade should not be considered lightly. We must work well with those who have to repeat grades. Those who display really bad tendencies and refuse to mend their ways should be expelled. Hooligans and rowdies who do not study well and who are not expelled will damage the mood of the entire school. A great deal of work should be done with those who display bad tendencies while caution should be taken when handling those who refuse to mend their ways. All possibilities should be tried and great efforts should be made to try and change these characters so that the bad may be transformed into good or fairly good students.

##### 5. On the question of logistic or rear-service work.

Logistic work involves serving scientific research work and educational work, and it should set up conditions for scientific research workers and educational workers to allow them to dedicate themselves wholly to scientific research and teaching. Logistic work includes providing material, organizing libraries, purchasing and supplying equipment and apparatus for experiments, and constructing intermediate factories. It also includes organizing dining halls, nurseries, and so on. Such problems as these were originally easily solved, but during the time that the "gang of four" ran wild, there was no one available to solve these problems. Some scientific researchers ran around everywhere trying to get hold of equipment which meant that research was delayed and time wasted and this was a source of great damage. Today we must have a batch of people to carry out logistic work and these people must be humbly heroic, industrious, and thorough, and happy to serve everyone else. Logistic work is also a branch of knowledge and requires study and can also produce talent and if one does not get totally involved in the work then the work will not be done well.

If we want to mobilize the enthusiasm of scientific research workers and those working in education, it is not enough to merely preach; we must also set up conditions for them and help them solve these concrete problems. Of course, as soon as we start talking about this, we come up against many difficulties. These difficulties should be handled in order of importance and urgency so that they may all be gradually solved. For example, within the ranks of scientific researchers we should first solve the difficulties of a selected few people who have already achieved some successes and who display potential for training. These people should not only be elderly comrades but should also include middle-aged and young comrades.

It is often said that "the back waves push on the front waves on the Changjiang" and in scientific research it is often the case that young people overtake the older ones. Our older comrades should happily help our younger comrades to catch up and overtake. Those who represent the backbone of strength in their particular area of work and who are having to live apart from their spouses should be given priority treatment and their spouses and families should be moved to join them. Of course this does not mean that all couples who have to live apart can be reunited immediately. This requires the building of a great deal more living quarters, and cases must be handled in order of importance and urgency.

The Ministry of Foreign Affairs has stated that there are some Overseas Chinese scholars who have expressed the desire to return home. Zhou Enlai once considered this question. We should set up the right conditions, construct houses, and carry out good preparatory work for their redeployment in their home country. Those who want to return to China always want to have a home and they always want to have the necessary work conditions. Our acceptance of Overseas Chinese scholars returning to China is a concrete measure for developing science and technology in China, and another such concrete measure is to send people to study overseas. We should also invite famous foreign scholars to visit China and give lectures. Of those scholars friendly with China the majority are well-known and inviting people to come and give lectures is a very good thing, so why isn't it done?

China still has some difficulties and there are some realistic problems which cannot be solved in an instant. I personally feel that funds for scientific research and for education should be increased. However we cannot hope that they will be increased by a great deal very quickly. In the wake of our present difficulties we must do our best to work well. In cases where conditions were originally good we should take full advantage of existing conditions and organize our work as fast as possible. In cases where conditions were originally bad or rather lacking, we should make efforts to gradually improve things. Those difficulties which must and indeed can be solved, should be tackled.

#### 6. On the question of the style of study.

In fostering a good and healthy atmosphere the most important thing to do is to take the mass line and be practical and realistic, seeking truth from facts. Science in itself involves seeking truth from facts and it is a discipline of truth and honesty which does not permit deception and falsehood. During these past few years the destruction wrought by the "gang of four" has created many problems for the style of study such as, for example, the suppression of discussion and mutual blocking. Today there are not very many discussions and arguments with different opinions, indeed, there are far too few. During discussions perhaps some incorrect opinions will emerge, but we should not worry about this. We must uphold the principle of allowing a hundred schools of thought to contend and we should permit argument and discussion and controversy. Different schools of thought should have mutual respect for each other and each one should supplement their shortcomings from the other's advantages. We must promote scholarly exchange. The results of any scientific research program cannot be the sole achievement of one person. They all involve the absorption of research results of predecessors and contemporaries. The proposal of a new scientific theory is always the result of the assimilation and summarization of practical experience.

Without the practical experiences of predecessors and contemporaries, of Chinese and foreigners, how can new theories be summarized and proposed? Blocking damages others and oneself. The way in which blocking is treated and handled should be seen as an important part of investigating the extent to which a person's world view has been remolded. In some foreign countries a certain product manufacturing technology has existed for a long time while in China we are still blocking ourselves, and this kind of phenomenon must be overcome.

Academic literature should be organized well. Publishing and printing problems that exist in scientific research and educational fields should be solved and included in state planning. At present we have a serious paper shortage as well as serious paper wastage. There are some things which do not need to be or should not be printed that are printed in excess with the result that things which should be printed cannot be printed. Rational organization is extremely important. Comrade Mao Zedong always exhorted organizations and bodies at every level of party leadership to cut down on the printing and distribution of documents and to do more personal delivering of information to lower levels. If this is implemented, a great deal of paper could be saved. We must be able to guarantee the printing and publication of valuable academic articles and publications. At present there are some works which, on the basis of present printing and publishing conditions, cannot be printed for several years, and this situation is causing us to strangle ourselves.

There are many questions and problems involved in the style of study and it is impossible to talk about them all. Thus I will mention one -- namely to foster a good and healthy style of study and create a lovely and active situation so that China's scientific and educational undertakings may prosper and develop.

#### SHANGHAI SENTENCES TEACHER IN ESPIONAGE CASE

OW100114 Beijing XINHUA in English 0103 GMT 10 Jul 83

[Text] Shanghai, July 10 (XINHUA) -- Ye Lifa [0673 7537 4099], 68, was sentenced on June 8 by the Shanghai Intermediate People's Court to a 10-year prison term plus 2 years deprivation of political rights for passing secret information to a foreign country and committing other offenses.

Ye lodged an appeal, which was rejected yesterday by the Shanghai Higher People's Court after a second-instance trial.

A native of Cixi County, Zhejiang Province, Ye Lifa was a faculty member at a sparetim college in Shanghai. According to the court judgement, he had been spying, collecting and providing secret information for a foreign country since August 1980.

In order to get secret information, the judgment said, Ye swindled people around by telling lies, passing himself off as a "patriotic professor" and promising to help others to go abroad. At the same time, he was engaged in smuggling and evaded the state control of foreign exchange.

He was also found guilty of humiliating and raping several young women.

JIEFANG RIBAO Commentator

OW110944 Shanghai City Service in Mandarin 2300 GMT 10 Jul 83

[Text] Today JIEFANG RIBAO carries a commentator's article on the Ye Lifa case, entitled "We Must Heighten Our Political Vigilance."

The commentary says: A counterrevolutionary like Ye Lifa is indeed a rare negative example which may serve as a lesson. He has taught us a necessary lesson that in the course of adhering to the policy of opening to the outside world we must heighten our political vigilance.

Comrade Hu Yaobang pointed out in his report to the party's 12th national congress: In the new period of the development of our socialist cause, we must attend, both in ideology and in action, to two aspects. On the one hand, we must persist in the policy of opening to the outside as well as in our policies for invigorating the economy domestically and, on the other hand, we must resolutely strike at the grave criminal activities in the economic, political, and cultural spheres that endanger socialism. All party comrades must have a clear understanding of this principle without the slightest ambiguity.

We must not allow anyone under various cloaks of legality to take advantage of our policy of opening to the outside and bribe and instigate some scums of the nation and dregs of society to carry out hostile espionage activities against our country and other criminal activities. We also firmly oppose anyone who takes advantage of our policy of opening to the outside to seek personal gain from contacts with foreign countries and in the process brings humiliation not only to himself but to the country.

All cadres, party members, and the masses of the people must have a deep understanding of the important principle that we must attend to the two aspects in implementing the policy of opening to the outside world, always remain clear-headed, consciously resist the corrosive influence of decadent bourgeois ideas, heighten our vigilance, and deal resolute blows at the serious criminals endangering socialism.

#### COMMENTARY VIEWS CHALLENGE TO INDUSTRY

OW101214 Beijing XINHUA Domestic Service in Chinese 1220 GMT 8 Jul 83

[XINHUA commentator's article: "Our Country's Industrial Enterprises Are Facing a Serious Challenge"]

[Excerpts] Beijing, 8 Jul (XINHUA) -- Our country's industrial enterprises are facing a serious challenge and new changes in how to improve product quality. This important and acute problem has still not attracted wide attention.

The reason that quite a number of industrial enterprises were able to make money in the past was due to low-priced raw materials, and agricultural and sideline products, and low wages. Their profits were derived mostly from the purchase of underpriced raw materials and agricultural and sideline products. These "three lows" covered up the backward features of the enterprises and enabled these enterprises to survive. In the past several years, however, the state has raised agricultural and sideline product prices as well as the cost of some raw materials and has hiked wages for staff members and workers. As a result, production costs rose, operational losses increased, and the amount of profit delivered to the state also dropped, thereby exposing the contradictions that had long been concealed.

It should be noted that the prices of energy supplies and raw materials will rise gradually and workers' wages will be readjusted continuously from now on. These increases are the general trend. Thus, the objective situation has raised a sharp issue for the industrial enterprises: You cannot survive by relying on the old way and maintaining the present level. If our enterprises do not undergo a fundamental change and improve quality drastically, they will not survive for lack of vitality in the domestic market and competitiveness in the international market. In other words, without making progress, they will perish.

To improve the quality of enterprises, it is necessary first to improve management and administration and second, to promote technical advancements. The results of practice by a number of advanced enterprises showed that so long as work in these two areas is done well, the potential for lowering material consumption and improving product quality is very great and promising.

From now on, the state should adopt a series of measures, including planned management, administrative intervention, economic measures, and other legal means to encourage and at the same time put pressure on enterprises so that they will concentrate their forces on raising economic results.

To improve the quality of industrial enterprises and do away with the backwardness in management, administration, and technical progress is not an easy job. However, historic experience has proved that so long as we fully identify our difficulties and problems, and find ways and means to solve them with concerted efforts, we can cope with this serious challenge and win victories.

#### ECONOMIC GROUP NOTES INDUSTRIAL PRODUCTION UP

OW081244 Beijing XINHUA in English 1142 GMT 8 Jul 83

[Text] Beijing, July 8 (XINHUA) -- The value of China's industrial output reached 296.9 billion yuan from January through June -- 8.8 percent higher than the same period of 1982. The announcement was made by Zhao Weichen, vice-minister of the State Economic Commission, at a meeting here today.

"The figure meets 51.5 percent of the country's annual quota," he said. "In the first six months of this year," he said, "output value of heavy industry rose 12.2 percent from the 1982 period, outpacing the planned annual increase rate of 3.9 percent."

Increases ranging from 3.6 percent to 15.4 percent were recorded in output of such raw materials as sulphuric acid, soda ash, caustic soda, cement and plate glass, the vice-minister said. Production of chemical fertilizers, walking tractors and other farm machinery rose from 6.3 percent to 51 percent.

Production of China's light industry began to pick up in the second quarter of this year, he told the meeting. Output value of the light industry increased 5.4 percent during the January-June period, exceeding the targeted rate of 4.1 percent.

Increases ranging from 18 to 76 percent were chalked up in production of durable consumer goods, such as bicycles, wrist watches, tape recorders and household washing machines and refrigerators. Production of beer, refined sugar, children's articles and seasonal commodities rose sharply.

"The country's retail sales totalled 113.5 billion yuan in the first five months of this year, an increase of 10.7 percent from the same period in 1982," Zhao Weichen said.

"Energy production and transport were also strong in the first six months of the year," he said. Energy production surpassed the state quotas each month. Its output was equivalent to 339 million tons of standard coal in the January-June period, up 5.3 percent.

Referring to economic results, he said that in the first five months of 1983, product sales in industrial enterprises rose along with output value, as products basically tailored market demands. Turnover of working capital was accelerated, losses were reduced and productivity improved.

"Some technical and economic norms for judging enterprise performance have been improved, but they are not good enough," the vice-minister said.

In the next six months, he said, industrial and transport departments must give priority to the improvement of economic results, ensure the quality of their products and safety in operation, raise productivity, reduce consumption of energy and raw materials and turn out saleable products.

"At present, supply of energy and raw materials and transport are tight," he said. To solve the problem, the state will first supply those enterprises with good economic results. Limited supply will be given to those producing poor-quality goods, or they will be closed, merged and shifted to other lines of production, he said.

#### Further Report

OW101248 Beijing XINHUA Domestic Service in Chinese 1236 GMT 8 Jul 83

[Excerpts] Beijing, 8 Jul (XINHUA) -- The State Economic Commission held an industry and communications office conference today and laid down new requirements and made new arrangements for the industrial and communications departments to raise their economic results during the second half of this year.

The meeting pointed out that the situation in industrial and communications production in the first half of this year was good.

Generally speaking, during the first half of this year, industrial output steadily increased; energy production plans were fulfilled each month; the development of light industry was accelerated; badly needed heavy industrial products markedly increased; and the volume of freight handled by the communications and transportation department was on the rise.

The meeting pointed out that a conspicuous problem currently plaguing the industrial departments is their inability to fulfill major financial targets and their poor economic results. During the first half of the year, profit turned in to the state by industrial enterprises dropped 7.8 percent as compared with the same period of last year; both energy and raw and other materials were in short supply; transportation was badly strained at times.

To rapidly remedy the situation of poor economic results and reduced financial revenues, Yuan Baohua and Zhao Weicheng, vice chairmen of the State Economic Commission, made specific requirements concerning industrial and communications production in the second half of 1983.

Yuan Baohua said the poor economic results in industrial and communications production were caused by both subjective and objective factors. We must pay attention to analyzing the subjective factors, while at the same time preventing the objective factors from obscuring the subjective factors. In analyzing the subjective factors, we aim at improving our guiding method. In analyzing the subjective factors, we aim at finding our deficiencies, determining the right remedy, solving the problems of poor management and backward technology, and guiding the enterprises to improve their management and raise economic results.

Zhao Weicheng offered an 8-point view on how to raise economic results:

1. Shift the emphasis of the guiding ideology to raising the industrial and communications departments' economic results and prevent a lopsided stress on speed, thus setting a correct relationship between economic results and production speed.

2. Continue the task of enterprise restructuring and keep in mind that the purpose of enterprise restructuring is to raise economic results and increase state revenue.
3. In supplying energy and raw and other materials as well as available transportation means give priority to selected enterprises that produce quality products with a good market, consume less energy and materials, and show good economic results. This will enable these enterprises to go full steam ahead and increase their output. Meanwhile, strict restrictions should be imposed on enterprises that turn out poor-quality or even unsalable products. Some of them must be closed down, merged with other enterprises or converted to the manufacture of products other than their own, or even have their production suspended.
4. Seriously promote activities to increase output, reduce costs, improve economic results, and minimize expenditures.
5. Make special efforts to enhance production technology. Over 80 percent of the cost of China's industrial products is in raw and other materials and in energy. To cut down on costs and raise economic results, we must rely on technological progress.
6. Resolutely check the unhealthy practice of arbitrary price hikes.
7. Stress production safety.
8. Constantly analyze economic results. Being leaders of production, we must pay close attention to economic results, study ways to make profits and accumulate wealth, and build our industrial and communications production on the foundation of stressing economic results.

MINISTRY URGES HALT TO IRON, STEEL PRICE HIKES

OW100906 Beijing XINHUA Domestic Service in Chinese 0821 GMT 6 Jul 83

[Text] Beijing, 6 Jul (XINHUA) -- The Ministry of Metallurgical Industry on 2 July issued a circular requesting all provincial, municipal, and autonomous regional metallurgical industry departments or bureaus, and major iron and steel enterprises, to adopt as soon as possible urgent measures to stop the malpractice of raising the prices of iron and steel products.

This reporter has learned that since the second half of 1982, some iron and steel enterprises have presumptuously raised the prices of iron and steel products or raised the prices in a disguised form, under various pretexts, in violation of the state discipline and price policy, at a time when rolled steel is in short supply. These price hikes, if not immediately redressed, will inevitably have a serious, adverse effect on state revenue and economic construction because they have upset the stability of market commodity prices. The Wuhan iron and steel complex has raised by 10 percent the price of hot-rolled steel plate not included in the state plan. The Baotou iron and steel company sells its steel billets not included in the state plan at a per-metric-ton price 60 yuan higher than the temporary local-producer price set by Nei Mongol Autonomous Region. Without approval from higher authorities, the Panzhihua iron and steel company sold some 48,000 metric tons of steel billets to 19 organizations at prices 8 to 20 percent higher than authorized, thus earning an extra 1,637,000 yuan. Similar practices also exist in other iron and steel enterprises. Customers strongly resent this malpractice of unauthorized price hikes.

In the urgent circular, the Ministry of Metallurgical Industry called on all provincial, municipal, and autonomous regional metallurgical industry departments or bureaus, and all major iron and steel enterprises, to immediately conduct a serious inspection of the prices of iron and steel products of their subordinate enterprises. The ministry urged them to immediately correct those who violate government policy and price discipline, resolutely stop unauthorized price hikes, and report to the ministry the results of their inspections and corrective measures no later than 15 July.

PEOPLE'S BANK TO HANDLE CIRCULATING FUNDS

0W040023 Beijing XINHUA Domestic Service in Chinese 0842 GMT 1 Jul 83

[Text] Beijing, 1 Jul (XINHUA) -- To strengthen the management of circulating funds, the State Council has decided that, beginning 1 July, state enterprises' circulating funds will be put under the unified management of the People's Bank of China and that such funds be totally provided by the bank and not be allocated additionally from state revenue.

In the circular approving the "Report Concerning the Circulating Funds for State Enterprises To Be Put Under the Unified Management of the People's Bank," prepared by the People's Bank of China, the State Council pointed out that putting circulating funds under the unified management of the People's Bank is an important reform in the system of managing capital funds, covering a broad area and involving a strong policy. Governments at all levels should strengthen leadership, and planning committees, economic committees, and financial departments at all levels should coordinate their work with the banks to ensure smooth progress in this reform. Departments at all levels overseeing enterprises should strengthen management of circulating funds for all subordinate enterprises, encourage those enterprises to improve administration and management, accelerate the turnover of funds, and strive to make contributions to the accumulation of more funds for the state.

It was stated in the report, prepared by the People's Bank, that it is absolutely necessary to put the circulating funds under the unified management of the bank because: 1) it fits the new situation arising from changes in the channel of finance and credit involving the use of funds; 2) it gives the bank added responsibility, so that it will tap the potential of available funds and make more funds available for the construction of key projects and technical transformation; 3) it is compatible with the demands of economic reform and helps encourage enterprises to economize on the use of funds.

The report pointed out: In managing circulating funds for state enterprises in a unified way, the bank, while ensuring the development of production and enlarging the circulation of funds adequately, should institute and perfect the responsibility system for managing circulating funds and apply administrative means and credit levers to encourage enterprises to make better use of them.

After the circulating funds are put under the unified management of the bank, added interest or "floating interest rate" will be applied to above-norm and above-plan loans. The target of accelerating the turnover of circulating funds designated by the state should be looked upon as a directive-type target for use in assessment. Regarding the amount of circulating funds used by the enterprises, a unified interest will be applied for loans within the norm and the limit of the plan, low-interest for loans falling within the prescribed norm will be abolished; additional interest will be charged on loans which exceed the plan's normal limits.

On the other hand, "floating interest rate," within a range of 20 percent above or below, may be applied to the loans committed by enterprises which have overfulfilled the target of accelerating the turnover of funds stipulated by the state; the enterprises, in this case, can keep the total amount of interest saved. For those enterprises failing to fulfill the target, the interest rate on the loan will be raised and the extra amount of interest will be disbursed from the profits retained by the enterprises, which will stimulate enterprises to accelerate the turnover of funds.

Differential interest rate [cha bie li lu 1567 0446 0448 3764] will be applied in accordance with state economic policy. Interest rates will be adequately lowered for enterprises whose development should be encouraged, whereas interest for loans should be adequately raised for enterprises whose development is restricted and for those small and backward enterprises competing for raw material with the advanced, large industries.

Regarding steps for reform, the report by the People's Bank pointed out: The unified management of circulating funds by the bank involves several hundred thousand enterprises and economic departments, and the situation is rather complicated; consequently, experiments should be conducted in selected areas before it can be put into effect by stages and groups. Provinces, cities, and autonomous regions where conditions are ripe may select one or two cities or textile factories for experiment during the second half of this year to gain experience; beginning next year, the unified management of circulating funds by the bank may be systematically put into effect by stages and groups within the next year or two, in line with the principle of starting with industry, then commerce later, and with large and medium cities, then small cities later.

#### TRAINING CLASS ON POPULATION WORK UNDER WAY

OW061455 Beijing XINHUA in English 1125 GMT 6 Jul 83

[Text] Beijing, July 6 (XINHUA) -- A training class on population information work is now being held in Beijing under an agreement between the Chinese Government and the Economic and Social Commission for Asia and the Pacific. The class runs from July 4 to July 22.

Thirty people doing population and family planning information work in the country are attending the class. Courses including data collecting, classifying and cataloguing, as well as index making and writing of abstracts are offered.

EAST CHINA SEA FLEET TRAINING BASE SET UP

OW101209 Shanghai City Service in Mandarin 2300 GMT 8 Jul 83

[Text] The East China Sea Fleet training base was inaugurated in Shanghai during a grand ceremony on the afternoon of 8 July. Xie Zhenghao, commander of the East China Sea Fleet, attended the ceremony and presented the colors to the base.

The training base has been established by order of the Central Military Commission to strengthen unified leadership over training work in order to meet the requirements of navy-building.

Huang Zhongxue, political commissar of the East China Sea Fleet, encouraged those present at the ceremony to earnestly implement the guidelines of the First Session of the Sixth NPC, conscientiously study the "Selected Works of Deng Xiaoping," speed up the training of personnel with scientific and general knowledge and technical proficiency, and contribute to building a modern and regular People's Navy.

On behalf of all the base personnel, (Zhuo Dingxi), responsible person of the training base, pledged to live up to the expectations of the party and the people and strive to do a good job in carrying out all the tasks of the base.

ANHUI TO DRAIN FLOODED FIELDS, REPLANT CROPS

OW092149 Hefei Anhui Provincial Service in Mandarin 1100 GMT 8 Jul 83

[Excerpts] On 7 July, the Anhui Provincial People's Government issued an urgent circular calling on all localities to make a concentrated effort to quickly drain the waterlogged fields and plant new crops.

The circular says: Since mid-June, continuous torrential rains have hit most parts of the province. Many dikes have been breached. Nearly 7 million mu of cropland are waterlogged or inundated. The losses caused by the disaster are serious. To make up for the losses and achieve a good harvest for the year, it is imperative now to mobilize the masses to make a concentrated effort to quickly drain the waterlogged fields and plant new crops.

The circular calls for efforts to do the following:

1. From now to the beginning of autumn, 1 month remains. All localities must lose no time and rush-plant various late-autumn crops according to local and seasonal conditions.
2. As for seeds and seedlings needed for planting, while the provincial departments concerned will do their best to give support, the localities must rely mainly on their own efforts to solve the problem.
3. Areas not affected or only slightly affected by the disaster should adopt all effective measures to strengthen field management of grain and industrial crops, make sure that everything is done properly without any slip-ups, strive for higher yields and contribute to winning a good agricultural harvest for the whole province.

ANHUI MEETING ON CHECKING ARBITRARY PRICE HIKES

OW110401 Hefei Anhui Provincial Service in Mandarin 1100 GMT 7 Jul 83

[Text] On the morning of 7 July the Anhui Provincial CPC Committee held a Standing Committee meeting to study and implement the "emergency circular" issued by the State Council and the Discipline Inspection Commission of the CPC Central Committee on stopping arbitrary price hikes of means of production and indiscriminate collection of fees from construction units.

The meeting pointed out: The circular issued by the State Council and the Discipline Inspection Commission of the CPC Central Committee is of great significance and in good time. The various localities and departments must regard the practice of curbing arbitrary price increases of means of production and indiscriminate collection of fees from construction units as a major step to ensure the steady development of the national economy and improve party style and the general mood of society.

The meeting called on the departments concerned to immediately check on any signs of arbitrary price hikes and collection of extra fees in the province. If a problem falls under the jurisdiction of the provincial CPC Committee and the provincial People's Government, the provincial CPC Committee and the provincial People's Government must take the lead in examining the situation and promptly make corrections. If a problem falls under the jurisdiction of a locality or department, the locality or department must examine the situation and immediately make corrections. In conducting checkups and correcting the evil trends of arbitrarily increasing prices and indiscriminately collecting extra fees, it is necessary to combine ideological and political work with efforts to enforce party discipline and state laws. It is essential to sternly deal with those party members and cadres who have seriously violated party discipline and state laws. Disciplinary action must be taken. Those who should be fired must be notified right away, and legal action must be taken against those who should be punished by law. We should not be tolerant toward their mistakes. If we encounter difficulties in the course of carrying out our work, we must discuss the various issues among ourselves and find ways to overcome the difficulties in order to carry out our work smoothly in this regard.

The meeting assigned Su Hua and Huang Yu to take charge of this work on behalf of the provincial CPC Committee and the provincial People's Government. The provincial People's Government, the provincial Economic Commission, the provincial Planning Commission, the provincial Financial Department, the provincial Commodity Price Committee, and the Industrial and Commercial Administrative Bureau and other units must join efforts in carrying out this work, with the provincial Discipline Inspection Commission leading them. A small but efficient inspection team should be formed to conduct investigation at lower-level units and handle the situation as quickly as possible.

On the morning of 6 July, the provincial People's Government and the provincial Discipline Inspection Commission held a joint emergency meeting on how to implement the circular issued by the State Council and the Discipline Inspection Commission of the CPC Central Committee. They called on the various localities and departments to stop arbitrary price hikes of means of production and indiscriminate collection of fees from construction units by 15 July and to ensure the healthy development of the national economy. They urged the various localities and departments to transmit the guidelines of the circular issued by the State Council and the Discipline Inspection Commission of the CPC Central Committee to the various basic-level units within 3 days. They pointed out: Departments and bureaus must conduct checkups on commodity prices in various trades. First of all, they must pay attention to price hikes of rolled steel, pig iron, cement, lumber and coal and to indiscriminate collection of fees from major construction units and activities to fleece these units. They must try their best to first curb these two evil trends.

JIANGXI HOLDS MEETING ON COMBATING FLOODING

OW092014 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 8 Jul 83

[Excerpts] The Jiangxi Provincial General Headquarters for Flood Control and Drought Prevention held an urgent meeting on the afternoon of 8 July to map out plans and carry out specific tasks concerning the current campaign to combat flooding and deal with emergencies.

Presiding over the meeting, Comrade Wang Shufeng, Deputy Secretary of the provincial CPC Committee and commander in charge of flood control gave instructions on ways to combat flooding and deal with various emergencies.

The meeting noted that because of the rise of the Changjiang River, the collapse of the Poyang Lake Dam and continuous heavy rainfall of 200-300 millimeters in northern Jiangxi since early July, areas along the Changjiang River and Poyang Lake are suddenly threatened with imminent flooding.

Right now, over 170,000 cadres and people are fighting on the frontline to combat flooding and deal with emergencies. As of now, the Changjiang River, Poyang Lake and a number of other waterways are still rising. The threat of flooding and disasters is intensifying. The meeting pointed out that the safety of the main dike on the Changjiang River, the Poyang lakeside dike and the (Zhelin) reservoir are of grave concern. Therefore, cadres and masses in areas bordering the Changjiang River and Poyang Lake and in areas hit by recent torrential rains must be immediately mobilized to plunge into the current campaign to combat flooding and deal with emergencies.

The meeting called on the provincial People's Congress, the provincial Military District and the provincial agriculture, forestry, civil affairs, public health and other departments concerned to organize and send working groups to the frontline to combat flooding and deal with emergencies.

SHANDONG 4TH CPC CONGRESS TO OPEN 13 JUL

SK100529 Jinan Shandong Provincial Service in Mandarin 2300 GMT 9 Jul 83

[Text] The fourth provincial CPC Congress will officially open in Jinan on 13 July. The opening of this congress is a major event in the political life of the people across the province. Preparatory meetings will be held on 11 and 12 July. The representatives participating in this congress will arrive in Jian on 10 July.

SHANGHAI'S CHEN GUODONG ATTENDS MEETINGSPropaganda Exhibition

OW102012 Shanghai City Service in Mandarin 1100 GMT 7 Jul 83

[Text] The Shanghai exhibition of propaganda materials for Taiwan officially opened at the municipal CPPCC auditorium this afternoon. Present were leading comrades of the municipal CPC Committee, the Standing Committee of the municipal People's Congress, the municipal government and the municipal CPPCC Committee Chen Guodong, Hu Lijiao, Yang Di, Wang Daohan, Ruan Chongwu, and Zhong Min.

Comrade Chen Guodong said at the exhibition: This exhibition is excellent and its contents are rich. Through this exhibition we must step up propaganda on our policy of peaceful reunification of the motherland so that more cadres, people, and personalities in all walks of life can understand the party's policy of returning Taiwan to the embrace of the motherland. Comrade Chen Guodong also emphasized that we must implement all policies in this area.

The main theme of this exhibition is: Reunification of the motherland and reconstruction of China. With pictures and other data, the exhibition introduces Taiwan's geography, history, politics and economic development, the consistent policies and principled stand of the party and government toward Taiwan. It also describes the life and work of Taiwan compatriots in Shanghai, the relatives of personnel who left the mainland for Taiwan, and Taiwan compatriots who returned to settle in Shanghai. The exhibition reflects the earnest desire of the people in Shanghai for the great reunification of the motherland at an early date. The exhibition will last for 1 month.

#### Women's Congress

OW102008 Shanghai City Service in Mandarin 1100 GMT 7 Jul 83

[Excerpts] The Eighth Shanghai Municipal Women's Congress opened with a solemn ceremony at the Shanghai Exhibition Hall this morning.

Present at the meeting were leading comrades of the municipal CPC Committee, the Standing Committee of the municipal People's Congress, the municipal government and the municipal CPPCC Committee Chen Guodong, Hu Lijiao, Yang Di, Wang Daohan, Ruan Chongwu, Zhong Min and Ye Shuhua. Also present were responsible persons of the PLA Army, Navy and Air Force units stationed in Shanghai and mass organizations.

Comrade Yang Di extended greetings to the Eighth Shanghai Women's Congress on behalf of the Shanghai Municipal CPC Committee. Comrade Guan Jian delivered a work report on behalf of the Seventh Executive Committee of the Shanghai Women's Federation. Her report was entitled "Women of Shanghai Municipality, Unite and Strive To Reconstruct China!" The report was divided into three parts: 1) Shanghai women are marching amid great historical changes. 2) Safeguard the legitimate rights and interests of women and bring into full play women's important role in building socialist spiritual and material civilization. 3) Strengthen the building of women's federation and turn it into an authoritative mass organization for protecting and educating women and children.

She said: Since the founding of the party over half a century ago, the women of Shanghai have played a positive role in the tasks of the new democratic revolution and in socialist revolution and construction. Reviewing the past and looking forward to the future, we realize our heavy responsibilities. But we are determined, under the leadership of the municipal CPC Committee, to further foster our revolutionary spirit, work hard, create a new situation for women's work and strive indefatigably to achieve a fundamental turn for the better in the state financial and economic situation, in party style and social mood, and toward realizing the lofty goals put forth by the 12th CPC National Congress.

#### SHANGHAI TO CURB 'EVIL PRACTICES' AGAINST KEY PROJECTS

OW101157 Shanghai City Service in Mandarin 2300 GMT 9 Jul 83

[Text] The Shanghai Municipal People's Government and the preparatory group for the Discipline Inspection Commission of the Shanghai Municipal CPC Committee on 7 July issued a circular calling on all units to firmly implement the urgent circular of the State Council and the Central Discipline Inspection Commission and promptly check the evil practices of arbitrarily hiking prices of means of production in violation of state regulations and of indiscriminately collecting fees from construction units.

The circular calls on responsible comrades of districts, counties, and departments to personally take action and organize the enterprises and institutions under their jurisdiction to conduct a full survey of the prices of means of production which are fixed by a uniform national scale as well as the temporary ex-factory prices fixed by local authorities in accordance with the requirements of the urgent circular. Any violation of state regulations must be immediately corrected and handled on the merit of each case according to the stipulations of the urgent circular. As to the various kinds of fees collected by different units from construction projects, they should be handled on the merit of each case.

The circular says: With regard to various types of economic contracts, except for the portions which run counter to the guidelines of the urgent circular and therefore must be corrected, the remaining portions must continue to be implemented, and it is impermissible to stop implementing contracts at will.

The circular says: To ensure implementation of the urgent circular and firmly check the two evil practices of arbitrarily hiking prices and indiscriminately collecting fees, it is imperative to strengthen leadership. The municipal government has decided to set up an investigation group on prices of raw and semifinished materials and fuels and an investigation group on illegal collection of fees. The party's discipline inspection departments at various levels should regard ensuring the country's key construction projects by checking the evil practices of arbitrary price hiking and indiscriminate collection of fees as an important current task of discipline inspection. Cases of violation of law and discipline should be handled promptly and seriously. Party members and cadres who have committed serious violations of law and discipline must be dealt with according to party and administrative discipline following a thorough investigation of the facts and must not be winked at and tolerated.

#### SHANGHAI MUNICIPAL CONGRESS COMMITTEE MEETS

OW090807 Shanghai City Service in Mandarin 1100 GMT 6 Jul 83

[Text] The Standing Committee of the Eighth Shanghai Municipal People's Congress held its second session this morning.

Chairman Hu Lijiao delivered a report on the general situation, major contents, and the basic guidelines of the First Session of the Sixth NPC. He urged the masses and cadres of Shanghai to follow the CPC's leadership, uphold the four basic principles, not to forget unity and hard struggle, work to revitalize China, strive to implement the guidelines of the 12th CPC National Congress and the 1st Session of the 6th NPC, and to promote the two civilizations. Shi Ping, He Yixiang, Di Jingxiang, Wang Tao, Liu Jingji, Wu Ruohan, Li Peinan, Tan Jiazheng, and Liu Nianzhi, vice chairman of the municipal People's Congress Standing Committee, attended the meeting.

Attending the meeting as observers were Zhu Zongbao, Li Zhaoji, Ni Tianzeng, and Ye Gongqi, vice mayors of Shanghai; Zhang Chengzong, Song Richang, Yang Shifa, Jing Renqiu, Xu Yifang, Ye Shuhua, Tang Junyuan, and Dong Yinchu, vice chairmen of the municipal CPPCC Committee and members of the municipal CPPCC Standing Committee; Hua Liankui, president of the municipal People's Higher Court; Wang Xing, procurator general of the municipal People's Procuratorate; and responsible persons of the departments concerned. The session continued this afternoon.

The Standing Committee members had a warm discussion on Chairman Hu Lijiao's report. The meeting also adopted a decision on the establishment of the Personnel Work Commission and approved some appointments.

CAPITAL CONSTRUCTION PROBLEMS IN GUANGDONG

HK090322 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 5 Jul 83

[Text] The provincial government is currently undertaking work to review and straighten out problems in capital construction, to put a stop to the bad practice of indiscriminately exacting charges from capital construction units.

According to our information, in the previous period the government organized a special work group to investigate and find out about the situation regarding the exactation of charges from construction units. The investigation showed that instances of indiscriminately imposing charges and fees on these units are very common throughout the province. According to statistics, 31 departments and units have been engaged in exacting 94 types of charge and fees from capital construction units. Only a few of these were permitted by the state; in 72 cases, the charges were arbitrarily decreed by prefectures, cities and counties, and also by communes. As a result, the amount of the charges and fees imposed on certain capital construction projects has exceeded 10 percent of the total investment, and the figure has even exceeded 40 or 50 percent in some cases. Additionally, certain capital construction units have indulged such practices. As a result, the costs of certain construction projects have doubled and redoubled, and the construction cycle has been lengthened. This has greatly increased the burden on the state.

GUANGDONG TO IMPLEMENT STATE PRICE CONTROL CIRCULAR

HK110815 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 10 Jul 83

[Text] Last night, the provincial People's Government called a telephone meeting, demanding that various localities, cities, counties, and departments energetically go into action, resolutely implement the urgent notice issued by the State Council and the CPC Discipline Inspection Committee on resolutely stopping the raising of prices for production materials at will and the exacting of charges from construction units at will. Various localities are required to resolutely stop the unhealthy trends of raising prices for production materials at will and the exacting of charges from construction units at will. Those who have not carried out reform according to schedule must be criticized, dismissed, or punished according to law. The localities and departments concerned are required to resolutely act according to the CPC Central Committee's stipulations.

Governor Liang Lingguang and Deputy Governor Yang Deyuan spoke at the meeting. The meeting transmitted the main contents of the notice issued by the provincial People's Government on strictly controlling the scale of capital construction and guaranteeing the construction of key projects, the notice on resolutely stopping the raising of prices for production materials at will, and the notice on correcting the practice of exacting charges from construction units at will.

The meeting stressed: The purpose of the provincial People's Government in resolutely implementing the notice issued by the State Council and the CPC Discipline Inspection Committee is to concentrate financial and material resources to guarantee the construction of key projects. Guaranteeing the construction of key projects has important bearings on our country's future and the interests of the people. Of course, we are carrying out these measures under the prerequisite of doing a better job in implementing open-door foreign policies and in enlivening the domestic economy, we must not set one against the other, nor must we embark on the old road of exercising rigid policies. Only in this way can we solve the problems of production materials and materials for capital construction, concentrate more funds, and gradually improve the people's livelihood.

Therefore, we must understand the great significance of implementing these measures, raise our consciousness of implementing these measures, and do a good job in our work.

Yesterday, the provincial People's Government issued a notice on resolutely stopping the practice of raising prices for production materials at will. The notice demanded that various localities and departments resolutely stop, before 15 July, the unhealthy trend of raising prices for production materials at will. The notice pointed out: The prices for production materials such as rolled steel, pig iron, cement, timber, and coal produced by enterprises under the system of ownership by the whole people must be strictly controlled according to state stipulations, regardless of whether these materials are produced inside or outside plans, and regardless of whether their production is overfulfilled. Raising prices and exacting charges in excess of price control limits are illegal. The exacted part must be immediately canceled. Illegal income earned from 1 January this year must be confiscated and turned over to the state. Main responsible comrades must examine their mistakes. Those who have committed serious mistakes must be given disciplinary punishment or be dealt with according to the law.

#### HAINAN'S KEY PROJECTS UNDER CONSTRUCTION

HK110735 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 10 Jul 83

[Text] Ten key projects for developing Hainan Island are under construction. Construction preparatory work for these projects has been completed. The 10 key projects include the exploitation of the (Changkuo) opencut coal mine, the construction of the (Lingtou)-Basuo railway, the expansion of the Haikou and Basuo Harbors, and the construction of postal and telecommunications projects and of the Hainan University.

In carrying out the construction of the key projects, we must first of all do a good job in communications and energy. A command group for the projects has been established, under the guidance of which engineering designing is being energetically carried out, and equipment and materials are being prepared.

#### HAINAN MEETING ON AGRICULTURAL WORK ENDS

HK110825 Haikou Hainan Island Service in Mandarin 0330 GMT 8 Jul 83

[Excerpts] The Hainan District CPC Committee called a meeting from 2 to 6 July, attended by secretaries of the CPC Committees responsible for agriculture in the Han area counties, to relay the spirit of the provincial meeting of secretaries responsible for agriculture at prefectoral and county levels, and demanded that all localities mobilize the masses in unfolding the struggle to fight against the drought and reap a bumper harvest of late rice crops, and at the same time to do a good job in various rural tasks so as to accelerate the development of agricultural production in the district.

Wei Zefang, deputy secretary of the district CPC Committee and deputy director of the commissioner's office, relayed the spirit of the meeting at the prefectoral and county levels of secretaries responsible for agriculture. Deputy director of the commissioner's office (Huang Jingxiu) made a speech on problems concerning the agricultural production of the district. The meeting also invited Professor (Lin Fanchun) of the Hainan Agriculture Institute to give a speech on hybrid rice. Lei Yu, secretary of the district CPC Committee and director of the commissioner's office, spoke at the meeting.

The meeting held that in order to step up the development of Hainan's agriculture, it is necessary to establish the idea of large-scale agriculture. It is necessary to conscientiously sum up experiences and lessons, act in accordance with the instruction of the Central Committee on bringing into play the advantages of the island, tapping potentials, attaching importance to economic results, and gradually set up a rational economic structure, and change from the situation of attaching importance only to grasping agriculture to grasping agriculture and industry simultaneously, from self-sufficient and semi-self-sufficient production to socialized and commodity production, from only providing raw materials to developing processing industries, and from production of a sealed off nature to production of an open nature, and to grasp agriculture, forestry, animal husbandry, sideline occupations, and fishery in an all-round way. The meeting held that grain production was the basis of agriculture. There is a bumper harvest in early rice, but the outputs of other grains have dropped. Agriculture has not developed fast enough. It is necessary to strive for a bumper harvest of late rice by every possible means, so as to fulfill the task of increasing production for the year, and create conditions for great development in production for the coming year.

The development of sugarcane production is an important aspect in bringing into play the advantages of the region, and it is also an important measure for making the rural economy lively, and for the peasants to become prosperous in the shortest possible time. It is necessary to continue to strengthen leadership, spread the use of good strains, and raise unit yield; at the same time it is necessary to seriously implement the policy on sugarcane production, and take a firm grasp of building and expanding sugar refineries, and avoid sharp rises and falls.

In order to achieve a breakthrough in agriculture, it is necessary to implement the mountain forest rights. It is necessary to pay close attention to raising nursery stock and fulfill the annual task of afforestation. It is necessary to conscientiously examine the economic results of afforestation, popularize the contracted responsibilities system in afforestation, and do a good job in planting trees on the one hand, and closing the hillsides to facilitate afforestation on the other. A current important task in rural work is to perfect the contracted responsibilities system in production. It is necessary to do a good job in ideological work among the cadres and masses, publicize among the masses that the system of contracted responsibilities on the household basis, with payment linked to output, will remain unchanged for a long time, and spread the system of contracted responsibilities to other realms. The meeting also pointed out that during July and August, it is necessary to take a firm grasp in the work of separating commune management from government administration, and family planning work. Leadership at various levels should mobilize the masses in a deep-going way, rely on them, and pool the wisdom and efforts of everyone in overcoming the difficulties; and under the premise of doing a good job in economic work, we should make unified planning with due consideration for all concerned, and do a good job in other fields of work.

#### GUANGXI CONFERENCE ON CULTURAL REVOLUTION LEFTOVERS

HK090236 Nanning Guangxi Regional Service in Mandarin 1130 GMT 8 Jul 83

[Text] The Wuzhou Prefectural CPC Committee held a conference on handling problems left over from the Cultural Revolution from 20 June to 4 July, to convey and implement the spirit of the regional CPC Committee's work conference on this topic, study the resolution of the 6th Plenary Session of the 11th Central Committee, sum up experiences and lessons since the Cultural Revolution in light of the prefecture's realities, distinguish between major rights and wrongs, enhance ideological understanding, and lay an excellent foundation for handling problems left over from the Cultural Revolution.

Guided by the resolution of the Sixth Plenary Session, the 329 party-member cadres attending the meeting studied the spirit of the documents of the regional CPC Committee on handling problems left over from the Cultural Revolution. On this basis, in connection with the prefecture's realities, they cited their own experiences and hosts of things they had seen and heard to lift the lid off the problems left over from the Cultural Revolution in the prefecture. Centered on certain major incidents in the Cultural Revolution, such as criticizing and struggling against old cadres, they cited ironclad facts to show that the Cultural Revolution brought calamity and catastrophe on the people of Wuzhou Prefecture.

Through studying, setting out, and exposing the problems, the participants further understood: Unless the problems left over from the Cultural Revolution are handled well, stability and unity cannot be maintained in society, the building of the legal system cannot be maintained in society, the building of the legal system cannot be done well, and the four modernizations drive cannot proceed smoothly.

In accordance with the demand of the conference, the prefectoral CPC Committee made serious arrangements for the next step in the work. It resolved to do a thorough job in handling problems left over from the cultural revolution.

#### HENAN TIGHTENS CONTROL OVER TAPE RECORDINGS

HK090603 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 8 Jul 83

[Summary] The Propaganda Department of the provincial CPC Committee and the preparatory group of the provincial Discipline Inspection Committee recently transmitted a report of the provincial Broadcasting and Television Department on inspecting and controlling audio and video tape recordings. They demanded that effective measures be taken to examine decadent and vulgar audio and video tape recordings in all localities.

The document pointed out: "In implementing the regulations stipulated by the CPC Central Committee and the State Council on strictly forbidding the import, copying, selling, and broadcasting of reactionary, decadent, and vulgar audio and video tapes, party committees and governments at all levels have strengthened leadership and departments concerned have energetically supported the work in this respect. Great achievements have been scored. Detrimental and unhealthy audio-video tape recordings have basically been put under control. But recently, some localities and departments have loosened their control in this respect. They have begun broadcasting foreign audio-video tape recordings at will regardless of the instructions given by the CPC Central Committee. For the sake of seeking profits, some units have even sold unhealthy foreign audio tapes. This phenomenon is beginning to spread unchecked."

The document stressed: "Strictly forbidding the import, copying, selling, and broadcasting of reactionary, decadent, and vulgar audio and video tapes constitutes a serious struggle against decadent bourgeois ideology. This is a question that merits attention in building socialist spiritual civilization. Departments concerned in various localities must attach great importance to this matter."

To strengthen the control of audio and video tape recordings, the document demanded that units which have audio and video tape recording equipment assign special persons to carry out inspection of audio and video tapes. Vulgar audio and video tape recordings -- which have nothing to do with professional work -- must not be played under any circumstances. Units selling and publishing audio and video tapes must be approved by the state. Individual traders who have no business licenses must not be allowed to carry out audio and video tape business. Those who sell reactionary and vulgar audio and video tapes will be punished according to law.

We must list the control of audio and video tape recordings in the contents of building socialist spiritual civilization, to effectively check the spread of reactionary, decadent, and vulgar audio and video tape recordings. Leading cadres at all levels must set good examples in implementing the CPC Central Committee's stipulations.

#### CHANGJIANG RIVER REACHES DANGER LEVEL IN HUBEI

OW091749 Beijing XINHUA in English 1631 GMT 9 Jul 83

[Text] Wuhan, July 9 (XINHUA) -- More than 150,000 people have been called out to patrol a section of the Yangtze River in Hubei Province, now menaced by flood waters following several days of torrential rains.

At 8:00 hours today, the water levels along the 600-kilometer section of the river from Jianli County in Hubei to Jiujiang City, Jiangxi Province, stood from one to 2.5 meters above the warning mark, calling for emergency measures. This section in the middle reaches of the river has a tortuous course and the dyke is vulnerable to flooding, according to local officials.

In Wuhan, capital of Hubei Province, the water level was 1.09 meters above the warning mark. On July 5, it was 0.16 meters above that mark, officials said.

Torrential rains measured at more than 220 millimeters fell on July 4 and 5, inundating 70,000 residential houses and nearly 300 factories. Water levels in the middle reaches will continue rising in the next few days with flood waters washing down from Sichuan and heavy rainfall in Hunan and Jiangxi, officials said.

Twenty-four provincial government working groups have rushed to the most dangerous areas to help fight the flood and drain excess water, officials said. Similar working groups are also working in cities along the river in Anhui Province downstream.

#### HUBEI ORDERED TO STEP UP FIGHT AGAINST FLOODS

HK100414 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 9 Jul 83

[Summary] The water level on the 600-km stretch of the Changjiang River from Jianli in Hubei to Jiujiang in Jiangxi is now 1 to 1.5 meters above the warning line, and it is expected that the river will continue to rise in the next 2 or 3 days. The province's antiflood army is currently working hard to ensure the safety of the dikes. Over 150,000 people are now engaged in this work. The provincial government has organized 24 antiflood work teams and sent them to places that have suffered serious calamity.

The provincial antiflood command issued an urgent order this afternoon, making the following demands:

1. The prefectures, cities and counties along the river must establish the idea of being prepared for great floods and ensuring safety, and regard antiflood work as the current priority task. They must urgently mobilize, make immediate arrangements, strengthen leadership, concentrate manpower and material, and make full use of all favorable conditions to mount all-round guard on the Changjiang dikes. In particular, key sections of the dike must be strengthened. The province must win victory in the struggle against flood.

2. Institute centralized and unified leadership and establish strict post responsibility systems. The PLA units assigned to protect the dikes must be ready at all times to go wherever they are sent.
3. Organize sufficient manpower to guard the main dikes, especially at night.
4. Immediately carry out a check on antiflood materials and carry out readjustments where necessary to ensure that these are available where they are most needed.
5. Strengthen the sense of organization and discipline. All antiflood personnel must stay at their posts and obey orders and commands. "People who arbitrarily leave their posts and fail to take responsibility and to obey orders, resulting in accidents, must be held accountable and be seriously dealt with. It is necessary to heighten vigilance, strengthen safety and security, and deal hard blows against criminal elements who sabotage and disrupt antiflood work."
6. All departments concerned must cooperate in the struggle and shoulder their own responsibilities well.

HUBEI LETTER CALLS FOR ANTIFLOOD MOBILIZATION

HK110137 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 10 Jul 83

[Excerpts] The Hubei Provincial CPC Committee and People's Government yesterday issued a letter to the cadres and masses throughout the province, to mobilize the Army and people of the province to carry through to the end the struggle to fight flood, drain flooded land, and resist calamity.

The letter pointed out: Since mid-June, Hubei has been hit by continuous torrential rain, and rivers and lakes have risen everywhere. In some places mountain torrents have poured down, causing flood and waterlogging. At the same time, the overcast and wet weather, low temperatures, and outbreaks of plant diseases and insect pests have seriously affected agricultural crops. In recent days the Dongting Lake has continued to rise, a flood crest has appeared on the Poyang Lake, and the Changjiang River is still rising. The water level may approach record highs at certain dike sections. Hence, we must further mobilize to persist in waging the struggle to prevent floods, drain flooded land and resist calamity. The letter says: The provincial CPC Committee and government call on the cadres and masses throughout the province to establish confidence in victory over the calamity and strive for total victory in the struggle. We believe that, with the correct leadership of the Central Committee and State Council, the encouragement of the spirit of the 12th party congress and the 1st Session of the 6th NPC, and the revolutionary struggle spirit of the cadres, masses, and PLA commanders and fighters, all difficulties can be overcome. We must fully realize that the tremendous power of the party's series of correct policies for the rural and urban areas is the fundamental condition for us to win total victory in the struggle.

Places that have already suffered disaster must organize self-salvation through production and do everything possible to reduce the losses and strive to do a good job in production in the next season. They should develop more production opportunities and work to recoup their losses. Cadres and masses in places that have suffered little or no disaster must work still harder to reap a bumper harvest as practical action to support the disaster areas, and make still greater contributions to fulfilling and overfulfilling the province's industrial and agricultural production tasks for the year.

HUNAN'S MAO ZHIYONG ON STUDYING DENG WORKS

HK100328 Changsha Hunan Provincial Service in Mandarin 2310 GMT 9 Jul 83

[Excerpts] According to HUNAN RIBAO, Hunan Provincial CPC Committee First Secretary Mao Zhiyong made an important speech on how to implement the spirit of the Sixth NPC and publicize and study the "Selected Works of Deng Xiaoping" at a 9 July gathering of cadres and above deputy section level in the provincial organs to convey the spirit of the Sixth NPC. Comrade Mao Zhiyong put forward five demands on how to study and publicize the "Selected Works of Deng Xiaoping:"

1. The party organizations throughout the province must attach a high degree of importance to this work and strengthen leadership over it. They must organize the cadres and masses to seriously study the "Selected Works of Deng Xiaoping" and whip up enthusiasm for study.
2. The CPC Committee propaganda departments and the press, radio and other departments must organize theoretical and practical workers to write articles in a planned way to vigorously publicize the selected works.
3. Study of the selected works should be carried out in connection with the reality of work in one's area, department, and unit, and with the reality of one's own thinking. Study of the selected works should be closely linked with study of the 12th Party Congress documents, the "Anthology of Important Articles Since the 3d Plenary Session," the "Selected Articles of Comrade Chen Yun," the documents of the 1st Session of the 6th NPC, and with summing up experiences and lessons, continuing to eliminate leftist influence, clearing away the erroneous guideline of the two whatevers pushed by Comrade Hua Guofeng, and overcoming unhealthy practices in the party. We must arm our minds with the spirit of the selected works and implement it in a deep-going and creative way in our practical work, so that it can become a motive force in stimulating all work and strengthening party building.
4. Apart from the study of three books including the "Selected Works of Deng Xiaoping," cadres' political studies in the second half of the year should also include the documents of the First Session of the Sixth NPC and study of party rectification. The contents of all this study are identical and represent the continuation and deepening of the study of the 12th Party Congress documents. The party organizations at all levels must make all-round arrangements and get a good grasp on this.
5. At present, many units are carrying out structural reform and readjusting the leadership groups. People are very busy with industrial and agricultural production and other work. Party committees must make all-round plans and arrangements. They must grasp study by the cadres and also vigorously promote current production and work, so that the two will promote each other.

Sun Guozhi, a deputy to the Sixth NPC and chairman of the provincial People's Congress Standing Committee, presided at the gathering. Liu Zheng, a deputy to the Sixth NPC and governor of Hunan, made a report conveying the spirit of the congress. Provincial CPC Committee First Secretary Mao Zhiyong made an important speech. Provincial CPC Committee Secretaries Xiong Qingquan and Jiao Linyi and other responsible comrades of the provincial CPC Committee, People's Congress Standing Committee, government, and CPPCC attended.

JILIN'S QIANG XIAOCHU AIDS KEY PROJECT

OW101356 Beijing XINHUA Domestic Service in Chinese 0755 GMT 6 Jul 83

[By reporters Niu Zhengwu and She Yingrui]

[Text] Changchun, 6 Jul (XINHUA) -- The workers at the construction site of the Baishan hydropower station in Jilin Province warmly applauded the leading comrades of the State Council, Jilin Province, the Ministry of Water Conservancy and Power, and the Ministry of Machine-Building Industry for personally assisting in the solution of practical problems. They happily said: If all the leading comrades follow their example in improving work style and efficiency, our economic construction can surely advance.

The Baishan hydropower station is one of the major national construction projects. In the course of its construction, problems have cropped up. The problems have been reported to the higher authorities on many occasions. However, because the project involves a province, two ministries, and many local enterprises, solving problems takes a long time since it entails reports to and approvals from many departments. Sometimes problems remain unresolved because of mutual obstructions by concerned offices.

To help solve problems, Qiang Xiaochu, first secretary of the Jilin Provincial CPC Committee, and Zhao Xiu, provincial governor, made a special trip to the construction site on 6 May. After making some investigations and studies, they solved a number of problems in the first 2 days. Finding that a broken screw of the generating unit has delayed construction of the project and that over 50 sets of ancillary electrical equipment had not yet arrived, and that the proper production facilities for some items of equipment had not even been located yet, on 10 May they sent telegrams directly to the leading comrades of the State Council and to Zhou Jiannan and Qian Zhengying, the ministers of machine-building industry, and water conservancy and power, to solicit their assistance in solving the problems.

The leading comrades of the State Council have attached much importance to the telegrams of Qiang Xiaochu and Zhao Xiu and have instructed the Ministries of Water Conservancy and Power and Machine-Building Industry to handle them promptly.

Upon receiving the telegrams, Qian Zhengying and Zhou Jiannan bypassed red tape and held a joint meeting the following day. Face to face, the two ministers discussed issues concerning the quality of the generating equipment and the delivery dates for the ancillary products, and took necessary measures to ensure deliveries. After 2 weeks of intensive work, some of the existing problems of the Baishan hydropower station have been solved or are awaiting solution by practical measures. By 26 May, both ministers had given positive replies to Qiang Xiaochu and Zhao Xiu on solving their problems.

On 20 May, the Electrical Engineering Department of the Ministry of Machine-Building Industry set up a special work team for the supply of electrical equipment to the Baishan hydropower station. The work team closely coordinated with the equipment-manufacturing plants in Heilongjiang, Liaoning, and Henan, and pressed them for prompt delivery while ensuring good-quality equipment.

By 30 May, the General Administration of Water Conservancy and Power under the Ministry of Water Conservancy and Power, after careful studies, presented concrete suggestions for solving technical problems related to the production of ancillary products for the Baishan hydropower station.

On 8 June, the service group formed by cadres and technical personnel of the Ministry of Machine-Building Industry and related enterprises arrived at the Baishan hydropower station and assisted the construction units in solving urgent equipment and technical problems.

The leaders' assistance has raised work efficiency, solved problems promptly, and accelerated the construction of the Baishan hydropower station. By now, the production and supply of necessary equipment for the power station have been properly arranged, the stator of the first generating unit, weighing 360 metric tons, has been installed and the assembly of the main body of the stator for the second generating unit was also completed days ago.

QIANG XIAOCHU SPEAKS AT JILIN FAMILY PLANNING MEETING

SK100230 Changchun Jilin Provincial Service in Mandarin 1030 GMT 9 Jul 83

[Excerpts] The 4-day provincial meeting of representatives of the units and individuals advanced in family planning work successfully closed in Changchun on 9 July. Qiang Xiaochu, first secretary of the provincial CPC Committee; Yu Ke, chairman of the provincial People's Congress Standing Committee; Zhao Xiu, secretary of the provincial CPC Committee and the provincial governor; Liu Jingzhi, secretary of the provincial CPC Committee; Song Jiehan, vice chairman of the provincial Advisory Committee; Zhang Shiying, secretary of the provincial Discipline Inspection Commission; (Liu Jing), Standing Committee member of the provincial CPC Committee and political commissar of the provincial Military District; (Dong Shu), vice chairman of the provincial People's Congress Standing Committee; and Luo Yuejia, vice chairman of the provincial CPPCC Committee received the representatives of the advanced units and individuals participating in the meeting and responsible comrades of various cities, prefectures and autonomous prefectures and also had cordial conversations with them.

Comrade Qiang Xiaochu said: As a major issue, family planning work must be strengthened rather than weakened. In developing this work, we must have great determination and step up ideological work. Ideological work is basic work with long-term significance. At the same time, we should stress ways and means in this regard. Now, a well-experienced contingent has already been formed, and our province's family planning work is full of promise.

The meeting read out the decision of the provincial People's Government on commending the advanced units and individuals in family planning work.

Comrade Liu Jingzhi, secretary of the provincial CPC Committee, spoke at the meeting. He said: The successful convocation of this meeting is of great significance and will certainly produce a positive impact on our province's family planning work. Carrying out family planning is very important to building the socialist spiritual civilization. The cadres in charge of family planning work must themselves have a high-degree of socialist spirit and voluntarily play an exemplary vanguard role. We should continue to study the guidelines of the 12th party congress and the First Session of the Sixth NPC, work hard, and step forward so as to raise the level of the province's family planning work and to create a new situation in this regard.

DENG XIAOPING QUOTED ON HONG KONG NEGOTIATIONS

HK110418 Hong Kong SOUTH CHINA MORNING POST in English 11 Jul 83 p 12

[By Ophelia Suen]

[Excerpt] Chinese leader Mr Deng Xiaoping has been quoted as saying that the Sino-British talks in Beijing are expected to focus on administrative arrangements for Hong Kong after 1997, rather than on sovereignty. According to a local leftwing magazine, THE MIRROR, Mr Deng said: "The talks cannot begin on the question of 'recovery of sovereignty,' but...must tackle the question of what to do after 1997. And if agreement could be reached on administration there would be little left to say about sovereignty."

The paper said Mr Deng made the remark to Hong Kong and Macao delegates to the National People's Congress and the Chinese People's Political Consultative Conference. He met the delegates five days before Beijing and London announced the second phase of talks on Hong Kong's future.

THE MIRROR also reported that China may assure a 50-year continuation of the present system relating to life-style, finance, trade, and law. It was reported that some delegates had suggested to Mr Deng that China should give an assurance that the local administrative system would be continued for 75 years.

But the magazine said Beijing might be willing to give such an assurance for a 50-year term instead. It said Mr Deng reiterated that Beijing wanted the people of Hong Kong to govern themselves after 1997. The Chinese Government was prepared to help Hong Kong's economy and the Bank of China would raise funds for rail and road projects, Mr Deng was quoted as saying.

Although Britain wanted to extend the lease, Mr Deng refused because he did not want to be regarded as another Li Hungzhang -- an official of the Qing dynasty who negotiated what China now regards as unequal treaties with foreign powers -- THE MIRROR said.

PRC REFUSES VISA FOR HONG KONG INFORMATION CHIEF

HK090510 Hong Kong Domestic Service in English 0500 GMT 9 Jul 83

[Text] The director of information services, Mr Peter Tsao, has been refused a visa to visit China next week with the governor, Sir Edward Youde. Mr Tsao, who was to have accompanied Sir Edward to Beijing for the second phase of the negotiations on the territory's future, has been given no reason for the refusal. He said he could not understand the decision, but declined to make further comment at this stage. However, it is understood that Mr Tsao is the only member of the official party who has been denied a visa and will not now be leaving with the governor on Monday as previously scheduled.

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